



**Brighton & Hove  
City Council**

**Schools' Forum  
Monday 9 December 2019  
4.00 pm – 6.00 pm  
G91 Hove Town Hall**

**Draft minutes**

**Members present**

School Members

Peter Freeman (Chair)	Primary Governor, Coombe Road Primary School
Tad Matus (TM)	Primary Governor, St Joseph's Catholic Primary School
Oli Sharpe (OS)	Primary Governor, Middle Street Primary School
Damien Jordan (DJ)	Primary Headteacher, Fairlight Primary School
Chris Taylor (CT)	Primary Headteacher, Patcham Infant School
Rachel Kershaw (RK)	Primary Headteacher, St Margaret's CoE Primary School
Mel Fane (MF)	Secondary Governor, Cardinal Newman Catholic School
Ashley Harrold (AH) (Vice Chair)	Secondary Headteacher, Blatchington Mill School
James Kilmartin (JK)	Secondary Headteacher, Cardinal Newman Catholic School
Julie Plumstead (JP)	Nursery Headteacher, Turnerland Nursery

Academies Members

Aaron Barnard (AB)	Aldridge Education Trust
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**Members apologies**

School Members

Rachel Burstow (RB)	Special Schools Headteacher, Hill Park Special School
Louise Cook (LB)	PRU Headteacher, Central Hub

Non-school Members

Martyn Howe (MH)	16-19 Provision, MET
Paul Shellard (PS)	Teachers' Union, NEU

**Members not present**

School Members

Julie Champion (JC)	Special Schools Governor
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Non-school Members

Mandy Watson (MW)	Diocese of Chichester (Anglican)
Sarah Clayton (SC)	Diocese of Arundel and Brighton (Catholic)

**LA Attendees**

Jo Lyons (JL)	Assistant Director Families and Schools
Louise Hoten (LH)	Head of Finance, Children's Services
Andy Moore (AM)	Schools Accountant Children's Services
Georgina Clarke-Green (GCG)	Assistant Director Health SEN and Disabilities

Sharon McKenzie (SM)	Acting Traded Services Strategic Manager
Susie Haworth (SH)	Schools Meals Manager
Cllr John Allcock (JA)	Chair of Children, Young People and Skills Committee
Cllr Sarah Nield (SN)	Opposition Spokesperson, Children, Young People and Skills Committee

**Other attendees**

Viv Warren (VW)	Early Years, Tarnerland Nursery
Sarah Booker-Lewis	Local Democracy Reporter
Ruth Ali (RA)	Clerk to the Forum

Item		Action
<b>1.</b>	<b>Welcome and apologies</b>	
<b>1.1</b>	The chair welcomed everyone to the meeting. He advised the Forum of the resignation of Roopal Patel (PVI Representative, St Joseph’s Nursery). The new clerk to the forum was introduced. The two councillors were welcomed, as was new attendee Aaron Barnard, Finance Director of the Aldridge Education Trust, attending from now forward in place of Mark Poston.	
<b>2.</b>	<b>Minutes of last meeting (7 October 2019) and matters arising</b>	
<b>2.1</b>	<b>Accuracy:</b> MF pointed out that she is inaccurately listed as being a Primary School governor representative, whereas she is a Secondary School governor representative (Cardinal Newman Catholic School). Subject to this amendment, the minutes were <b><i>agreed as a true record.</i></b> The chair thanked AH for chairing that meeting in his absence.	
<b>2.2</b>	<b>Matters arising</b> 2.3: JL updated the Forum about training and induction for new Forum members. Induction meetings are offered to new members and new Head teacher induction includes finance and the Forum. There is also the opportunity of the pre-meet to answer any questions arising from the pre-circulated papers.	
<b>2.3</b>	The chair advised that an induction pack for new members will also be prepared, consisting of DfE Guidance documents, Forum Terms of Reference, membership list and direction to the Schools’ Forum page on the council’s website.	
<b>2.4</b>	Though not directly arising from the minutes of the last meeting, JL/GCG were asked to update the Forum on the consultation for the High Needs Block (HNB). £2.5m additional HNB funding is expected in April. The LA has looked at the pressures on Special Educational Needs and Disabilities (SEND) considering both their statutory duty and the information coming in from Headteachers. JL/GCG have now written to all Headteachers, Chairs of Governors and Forum Representatives, asking to contribute suggestions and giving opportunity to raise awareness of further pressures additional to those already known. Deadline for comment is 20 December. Feedback will be collated.	
	<b>GCG will present paper to January Forum on proposed budget allocation</b>	

	<b>following outcome of consultation.</b> In addition, feedback will be sought through other means, such as Headteacher Cluster Chairs' meetings, SENCO meetings and all other partnership meetings.	<b>GCG</b>
<b>3.</b>	<b>Minutes of the last Schools Block Working Group (SBWG) meeting (25 November 2019)</b>	
	The minutes of the SBWG, which had been circulated, will be referred to throughout as relevant.	
<b>4.</b>	<b>Term Time Only (TTO) verbal update</b>	
<b>4.1</b>	Cllr JA introduced himself and explained his background. As new chair of the Children, Young People and Skills Committee, he emphasised his desire for dialogue with all stakeholders.	
<b>4.2</b>	The council had previously made a proposal to the forum regarding the funding of the TTO back pay which includes 50% being paid from the council's general fund budget and 50% from the Schools' Block but with the option to pay this back over 10 years. He is aware of teachers' and governors' concerns around this proposal and the wish for the council to offer an alternative and more generous approach.	
<b>4.3</b>	Cllr JA has agreed to pause any decision regarding who and how this pay back is funded until later in 2020, being aware of cuts schools have experienced and the impact on education and support schools have been able to provide, in particular the impact that it has had on the most vulnerable and disadvantaged children and families. Pausing the decision will give JA time to set up opportunities for dialogue following which officers can look into all possible alternative options regarding how this might be funded. It will then also be clearer what further additional funding might be available to schools from any new government.	
<b>4.4</b>	Cllr JA has already met with one of the schools' partnerships where this issue was discussed and was able to listen to the points of view put forward by Headteachers. Over the next six months he would like to attend meetings of other partnerships and listen more to all in relation to this matter.	
<b>4.5</b>	Cllr JA referred to the agenda item where it will be discussed whether this year the forum will also support the allocation of a schools contingency budget to sit centrally to support schools when they find themselves in exceptional challenging circumstances. He highlighted the concerns raised by some that this contingency budget may be swallowed up by paying off the deficit if and when a school transfers to Academy status, confirmed that the LA has responsibility for that and that the schools contingency criteria would warrant consideration for it to be used in this way. Cllr JA reassured the Forum that the 2020-21 budget will not be used for that purpose, as many schools would then not be able to access this much needed resource.	
<b>4.6</b>	However, if 19-20 ends with an underspend of the contingency budget, Cllr JA requested that consideration should be given to using some of this to support Moulsecomb Primary School in addressing their financial deficit, regardless of whether they become an academy or not, alongside the needs of other schools that may also meet the criteria.	
<b>4.7</b>	Cllr JA added that the council's budgets are under tremendous pressure, they have	

<p>4.8</p> <p>4.9</p> <p>4.10</p>	<p>had to make year on year savings which have impacted on children and families and the city as a whole. Continual demands on the general fund in this way have a knock on effect on services, many of which support schools and children when further cuts and savings would then need to be made.</p> <p>The chair thanked Cllr JA and invited the Forum to comment on the TTO matter (contingency being an agenda item, no comments were invited here).</p> <p>AB asked for clarification that academies are excluded from the Council decisions on funding this. This is correct, as for them, staffing matters are the responsibility of the Trust. This has been discussed with academy partners. For Voluntary Aided (VA) schools, the LA has been in contact with both Dioceses.</p> <p>In response to the question whether there is a timeframe by which a decision will have to be made, the Forum was advised that this will be in the new financial year, and not at the beginning, as sufficient time must be given for dialogue. <b>The LA will update Headteachers and Chairs of Governors in writing of this discussion and advise them of relevant dates.</b></p> <p>Clarification was sought about the assumption on TTO back payments in the Schools Block figures for 2020/21 to be considered later on the agenda. It was confirmed that there is no impact on the budget figures as any charge will be made on actual.</p>	<p>JA</p>
<p>5.</p>	<p><b>DSG 2020/21</b></p>	
<p>5.1</p> <p>5.2</p> <p>5.3</p> <p>5.10</p>	<p>LH summarised the content of the briefing paper and recommendations, this being an update on the paper presented to the Forum in October where further information was requested before making a decision on Contingency, Insurance and Asset Management. This information was provided in papers 5.1, 5.2 and 5.3. AM has worked closely with the insurance team, a summary of which is included.</p> <p><b>Contingency</b></p> <p>Discussions took place as to what sort of things were charged to contingency, and it was further that a detailed retrospective breakdown of the use of contingency, including the names of schools, should be shared at the Forum, and not just at the SBWG. This was agreed, but only after consultation with the Headteachers concerned.</p> <p><b>Approved:</b>  <b>Primary School Members approved de-delegation of £157,000 to Contingency.</b>  <b>Secondary School Members approved de-delegation of £143,000 to Contingency.</b>  <b>This totals £300,000.</b></p> <p>This was on the understanding that contingency for 2020/21 would not be used to finance the deficit left to the LA if Moulsecoomb converts to academy status.</p> <p><b>Insurance</b></p> <p><u>Questions raised were:</u></p> <ul style="list-style-type: none"> <li>• What are the VA (Catholic) schools insured for? - Buildings are covered by Catholic Mutual, but LA insurance covers contents and employees.</li> <li>• Is there any difference about liability? – AM was not aware. Governors have a liability in VA schools - being the employers - that does not exist in community schools. It would be useful to look at the policy schedules</li> </ul>	

	<p>outside of this meeting.</p> <ul style="list-style-type: none"> <li>• The proposal to decrease the rebate would leave Catholic schools with a funding problem. – The Catholic Dioceses nationally have agreed to go down the route of compulsory insurance with Catholic Mutual, but it would be helpful to pick up this discussion outside of this meeting.</li> <li>• Is £100,000 excess correct? – The council self-insures up to £100,000, reducing the overall insurance cost. This option would not be available to individual schools in separate contracts, as it would mean taking out a policy with a £100,000 excess.</li> <li>• <b>Is the implication that the council would pay for the first £100,000 cost in the case of, for example, a fire? – Yes.</b></li> <li>• <b>Does this also apply to CoE schools? – Yes, it also covers buildings not owned by the LA. - AM to double check above with insurance team.</b></li> <li>• How much more money would the Catholic Secondary School have to pay? – The proposal is to reimburse only the difference of the calculated figure and the de-delegated figure, this being over £9,000. A precise figure can be given at the January Forum meeting.</li> <li>• Where is it agreed that the Catholic insurance rebate is paid through contingency? – There is no other area it can come from, as it is not possible to differentiate in de-delegation between community schools and VA schools.</li> </ul> <p><b>Approved:</b>  <b>Primary School members approved de-delegation of £283,000 for insurance.</b>  <b>Secondary School members approved de-delegation of £169,000 for insurance.</b></p> <p><b>Asset Management</b>  No further discussion.  <b>Approved:</b>  <b>All members approved de-delegation of £149,000 to Asset Management.</b></p>	AM
6.	<b>Schools Block 2020/21</b>	
6.1	<p>AM took the Forum through the previously circulated briefing paper, which outlined the national position and consideration and proposals for local arrangements for 20-21 as discussed at the SBWG meeting in November. He highlighted in particular the change in the way deprivation is funded, i.e. that it used to be based on Free School Meals (FSM) only. For 2019/20 75% on FSM, 12.5% on FSM6 and 12.5% on IDACI, for 2020/21 50% FSM and 25% for both FSM6 and IDACI and in 2021/22 these will be split at 1/3 each.</p>	
6.2	<p>Some Forum members expressed concern that the eligibility for FSM6 appears to be decreasing, and that IDACI covers more pupils and is therefore less focussed on deprivation.</p>	
6.3	<p>Primary schools were concerned that they would be “hit twice” with a variation of the formula – once because of reductions in numbers and the second time because of a reduction in the deprivation factor. They felt that secondary schools are in a better position as they have “advance warning”, whereas primary schools are the</p>	

6.4	<p>first entry point. AM explained that minimum per pupil funding will make up for any IDACI changes if these changes bring a school below the minimum per pupil figure of £3,750 (primary) or £5,000 (secondary).</p> <p><b>Noted:</b>  <i>All forum members noted the proposals to the approach of the formula for 20-21 and that all funding models are illustrative as all data will be updated for the October 2019 census.</i></p>	
7.	<b>School Meals update</b>	
7.1	<p>SH summarised her previously circulated briefing paper, which gave an update on school meals and the management of the Universal Infant School Meals (UIFSM) grant and supplementary FSM grant. She also sought agreement from the Forum to retain central management of these grants.</p> <p>7.2 At the last consultation in 2017, all primary schools indicated a preference to remain with central management, as it ensures that all children have equal access to school meals and all schools benefit from economies of scale. All schools receive 20p per meal back at the end of the year. The LA has been notified that the supplementary grant is available for two years, as transition protection during the rollout of Universal Credit.</p> <p>7.3 The LA has received £217,000, £50,000 of which was transferred to secondary schools and the remainder retained centrally. Any funding remaining from these grants is returned to schools.</p> <p>7.5 In response to a question it was confirmed that funding at £2.30 per meal has stayed the same since 2014, and £440 per pupil for FSM.</p> <p>7.6 <b>Agreed:</b>  <i>As there were no further comments or questions, all members agreed that central management of the grants should be retained.</i></p>	
8.	<b>Criteria for Notice of Concern</b>	
8.1	<p>AM explained that the Criteria for Notice of Concern have not been updated since 2009. His previously circulated document 8.1 proposes to add the following two additional criteria to the existing ones:</p> <p><i>d. Setting a balanced budget and overspending above £25k (Nursery, Primary &amp; Special) or £50k (Secondary)</i>  <i>e. An Audit Option of Minimal Assurance in the overall effectiveness of controls</i></p> <p>These have been discussed at the SBWG meeting in November, and the SBWG supports the proposal.</p> <p>8.2 A member asked how closely aligned an audit is with financial advice given from the Schools Finance team. LA members confirmed that they ensure that their guidance is watertight and appropriate advice is given to schools. Audit and advice should therefore always be completely aligned. Schools are advised to inform Schools Finance of any examples where this has not been the case.</p> <p>8.3 <b>Noted:</b>  <i>All members noted the updated Criteria for Notice of Concern.</i>  <b>AM will update the Scheme for Financing Schools accordingly and publish on BEEM.</b></p>	AM

9.	<b>Services to Schools 2020/21</b>	
9.1 9.2 9.3 9.4 9.5 9.6 9.7	<p>In addition to the information prior to the meeting (paper 9), SM gave a verbal update:</p> <p>All charging models are based on cost recovery only with no profit. In 2018/19 there were either no uplifts or a capped uplift of 1%, with services absorbing any further cost increases rather than passing onto schools. In 2019/20, many services have still been able to deliver with no uplift to their charges.</p> <p>In 2020/21 some services are able to continue absorbing any extra costs and not pass on any increases to schools:</p> <ul style="list-style-type: none"> <li>• Caretaking &amp; Site Management</li> <li>• Equalities &amp; Anti-Bullying</li> <li>• Health &amp; Safety</li> <li>• Local Authority Strategic Property Function ( CERA)</li> <li>• Outdoor Education</li> <li>• PSHE</li> <li>• School data</li> <li>• Safeguarding Training</li> </ul> <p>The following will see between 1% and 3% uplift due to staff costs and other inflationary costs:</p> <ul style="list-style-type: none"> <li>• Literacy Support Service (part of BHISS) – teachers’ pay</li> <li>• EMAS – teachers’ pay</li> <li>• Finance</li> <li>• HR</li> <li>• Some ICT services</li> <li>• Legal</li> <li>• Payroll</li> </ul> <p>Energy and Water Management – reduction due to removal of third party Automated Meter Reading charges, plus a reduction in management charges and Service Support Charges.</p> <p>Other services are still calculating their charges and there will be a full update in January so that schools can make informed decisions before they receive their budgets at the end of the month. Discussions with schools throughout the buyback period up to the 1 April will then be held.</p> <p>The Academies Representative asked whether a Service Level Agreement (SLA) could be drawn up for the Connected Hub, as the Aldridge Education Trust has bought into this, and the auditors would like to see a SLA in place, as it concerns provision outside of the Trust. It was requested that this should be done for all schools, with a view to answering to Ofsted requirements around “alternative provision”. <b>JL agreed to ensure this is actioned by Richard Barker (RB) (Head of School Organisation).</b></p>	JL, RB
10.	<b>AOB</b>	
	No other business was discussed. The meeting closed at 5.30pm.	

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**Next Meetings (all 4.00pm to 6.00pm and starting with a pre-meet at 3.30pm):**

Wednesday 15 January 2020, Committee Room 3, Brighton Town Hall

Monday 16 March 2020, Committee Room 3, Brighton Town Hall

Monday 15 June 2020, Committee Room 3, Brighton Town Hall

Monday 12 October 2020, Room G91, Hove Town Hall

Monday 7 December 2020, Room G91, Hove Town Hall



**Schools Forum**  
**Wednesday 15 January 2020**  
**4.00 pm – 6.00 pm**  
**Committee Room 3 Brighton Town Hall**

**AGENDA**

Chair Peter Freeman

Item	Time	Duration	Subject	Lead(s)
1.	4.00	5 mins	<b>Welcome and apologies</b> Items for any other business to be stated	Peter Freeman
2.	4.05	10 mins	<b>Minutes of last meeting (9 December 2019)</b> <b>and matters arising</b> (minutes attached)	Peter Freeman
3.	4.15	15 mins	<b>General Fund Budget Report</b>	Nigel Manvell
4.	4.30	5 mins	<b>DSG 2019/20</b>	Andy Moore
5.	4.35	15 mins	<b>DSG 2020/21</b>	Louise Hoten
6.	4.50	20 mins	<b>Schools Block 2020/21</b>	Steve Williams
7.	5.10	20 mins	<b>High Needs Block 2020/21</b>	Steve Williams / Georgina Clarke- Green
8.	5.30	10 mins	<b>Early Years Block 2020/21</b>	Vicky Jenkins
9.	5.40	10 mins	<b>Services to Schools update</b>	Sharon Mackenzie
10.	5.50	5 mins	<b>AOB</b>	Peter Freeman
			<b>Next Meeting: Monday 26 March 2020</b> <b>4.00 – 6.00 pm CR3 Brighton Town Hall</b>	



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<p>5.</p>	<p><b>DSG 2020/21</b></p>	
<p>5.1</p> <p>5.2</p> <p>5.3</p> <p>5.10</p>	<p>LH summarised the content of the briefing paper and recommendations, this being an update on the paper presented to the Forum in October where further information was requested before making a decision on Contingency, Insurance and Asset Management. This information was provided in papers 5.1, 5.2 and 5.3. AM has worked closely with the insurance team, a summary of which is included.</p> <p><b>Contingency</b></p> <p>Discussions took place as to what sort of things were charged to contingency, and it was further that a detailed retrospective breakdown of the use of contingency, including the names of schools, should be shared at the Forum, and not just at the SBWG. This was agreed, but only after consultation with the Headteachers concerned.</p> <p><b>Approved:</b>  <i>Primary School Members approved de-delegation of £157,000 to Contingency.  Secondary School Members approved de-delegation of £143,000 to Contingency.  This totals £300,000.</i></p> <p>This was on the understanding that contingency for 2020/21 would not be used to finance the deficit left to the LA if Moulsecoomb converts to academy status.</p> <p><b>Insurance</b></p> <p><u>Questions raised were:</u></p> <ul style="list-style-type: none"> <li>• What are the VA (Catholic) schools insured for? - Buildings are covered by Catholic Mutual, but LA insurance covers contents and employees.</li> <li>• Is there any difference about liability? – AM was not aware. Governors have a liability in VA schools - being the employers - that does not exist in community schools. It would be useful to look at the policy schedules</li> </ul>	

<p>5.11</p> <p>5.12</p>	<p>outside of this meeting.</p> <ul style="list-style-type: none"> <li>• The proposal to decrease the rebate would leave Catholic schools with a funding problem. – The Catholic Dioceses nationally have agreed to go down the route of compulsory insurance with Catholic Mutual, but it would be helpful to pick up this discussion outside of this meeting.</li> <li>• Is £100,000 excess correct? – The council self-insures up to £100,000, reducing the overall insurance cost. This option would not be available to individual schools in separate contracts, as it would mean taking out a policy with a £100,000 excess.</li> <li>• <b>Is the implication that the council would pay for the first £100,000 cost in the case of, for example, a fire? – Yes.</b></li> <li>• <b>Does this also apply to CoE schools? – Yes, it also covers buildings not owned by the LA. - AM to double check above with insurance team.</b></li> <li>• How much more money would the Catholic Secondary School have to pay? – The proposal is to reimburse only the difference of the calculated figure and the de-delegated figure, this being over £9,000. A precise figure can be given at the January Forum meeting.</li> <li>• Where is it agreed that the Catholic insurance rebate is paid through contingency? – There is no other area it can come from, as it is not possible to differentiate in de-delegation between community schools and VA schools.</li> </ul> <p><b>Approved:</b>  <b>Primary School members approved de-delegation of £283,000 for insurance.</b>  <b>Secondary School members approved de-delegation of £169,000 for insurance.</b></p> <p><b>Asset Management</b>  No further discussion.  <b>Approved:</b>  <b>All members approved de-delegation of £149,000 to Asset Management.</b></p>	<p>AM</p>
<p>6.</p>	<p><b>Schools Block 2020/21</b></p>	
<p>6.1</p> <p>6.2</p> <p>6.3</p>	<p>AM took the Forum through the previously circulated briefing paper, which outlined the national position and consideration and proposals for local arrangements for 20-21 as discussed at the SBWG meeting in November. He highlighted in particular the change in the way deprivation is funded, i.e. that it used to be based on Free School Meals (FSM) only. For 2019/20 75% on FSM, 12.5% on FSM6 and 12.5% on IDACI, for 2020/21 50% FSM and 25% for both FSM6 and IDACI and in 2021/22 these will be split at 1/3 each.</p> <p>Some Forum members expressed concern that the eligibility for FSM6 appears to be decreasing, and that IDACI covers more pupils and is therefore less focussed on deprivation.</p> <p>Primary schools were concerned that they would be “hit twice” with a variation of the formula – once because of reductions in numbers and the second time because of a reduction in the deprivation factor. They felt that secondary schools are in a better position as they have “advance warning”, whereas primary schools are the</p>	

6.4	<p>first entry point. AM explained that minimum per pupil funding will make up for any IDACI changes if these changes bring a school below the minimum per pupil figure of £3,750 (primary) or £5,000 (secondary).</p> <p><b>Noted:</b>  <i>All forum members noted the proposals to the approach of the formula for 20-21 and that all funding models are illustrative as all data will be updated for the October 2019 census.</i></p>	
7.	<b>School Meals update</b>	
7.1	<p>SH summarised her previously circulated briefing paper, which gave an update on school meals and the management of the Universal Infant School Meals (UIFSM) grant and supplementary FSM grant. She also sought agreement from the Forum to retain central management of these grants.</p> <p>7.2 At the last consultation in 2017, all primary schools indicated a preference to remain with central management, as it ensures that all children have equal access to school meals and all schools benefit from economies of scale. All schools receive 20p per meal back at the end of the year. The LA has been notified that the supplementary grant is available for two years, as transition protection during the rollout of Universal Credit.</p> <p>7.3 The LA has received £217,000, £50,000 of which was transferred to secondary schools and the remainder retained centrally. Any funding remaining from these grants is returned to schools.</p> <p>7.5 In response to a question it was confirmed that funding at £2.30 per meal has stayed the same since 2014, and £440 per pupil for FSM.</p> <p>7.6 <b>Agreed:</b>  <i>As there were no further comments or questions, all members agreed that central management of the grants should be retained.</i></p>	
8.	<b>Criteria for Notice of Concern</b>	
8.1	<p>AM explained that the Criteria for Notice of Concern have not been updated since 2009. His previously circulated document 8.1 proposes to add the following two additional criteria to the existing ones:</p> <p><i>d. Setting a balanced budget and overspending above £25k (Nursery, Primary &amp; Special) or £50k (Secondary)</i></p> <p><i>e. An Audit Option of Minimal Assurance in the overall effectiveness of controls</i></p> <p>These have been discussed at the SBWG meeting in November, and the SBWG supports the proposal.</p> <p>8.2 A member asked how closely aligned an audit is with financial advice given from the Schools Finance team. LA members confirmed that they ensure that their guidance is watertight and appropriate advice is given to schools. Audit and advice should therefore always be completely aligned. Schools are advised to inform Schools Finance of any examples where this has not been the case.</p> <p>8.3 <b>Noted:</b>  <i>All members noted the updated Criteria for Notice of Concern.</i>  <b>AM will update the Scheme for Financing Schools accordingly and publish on BEEM.</b></p>	AM

9.	<b>Services to Schools 2020/21</b>	
9.1 9.2 9.3 9.4 9.5 9.6 9.7	<p>In addition to the information prior to the meeting (paper 9), SM gave a verbal update:</p> <p>All charging models are based on cost recovery only with no profit. In 2018/19 there were either no uplifts or a capped uplift of 1%, with services absorbing any further cost increases rather than passing onto schools. In 2019/20, many services have still been able to deliver with no uplift to their charges.</p> <p>In 2020/21 some services are able to continue absorbing any extra costs and not pass on any increases to schools:</p> <ul style="list-style-type: none"> <li>• Caretaking &amp; Site Management</li> <li>• Equalities &amp; Anti-Bullying</li> <li>• Health &amp; Safety</li> <li>• Local Authority Strategic Property Function ( CERA)</li> <li>• Outdoor Education</li> <li>• PSHE</li> <li>• School data</li> <li>• Safeguarding Training</li> </ul> <p>The following will see between 1% and 3% uplift due to staff costs and other inflationary costs:</p> <ul style="list-style-type: none"> <li>• Literacy Support Service (part of BHISS) – teachers’ pay</li> <li>• EMAS – teachers’ pay</li> <li>• Finance</li> <li>• HR</li> <li>• Some ICT services</li> <li>• Legal</li> <li>• Payroll</li> </ul> <p>Energy and Water Management – reduction due to removal of third party Automated Meter Reading charges, plus a reduction in management charges and Service Support Charges.</p> <p>Other services are still calculating their charges and there will be a full update in January so that schools can make informed decisions before they receive their budgets at the end of the month. Discussions with schools throughout the buyback period up to the 1 April will then be held.</p> <p>The Academies Representative asked whether a Service Level Agreement (SLA) could be drawn up for the Connected Hub, as the Aldridge Education Trust has bought into this, and the auditors would like to see a SLA in place, as it concerns provision outside of the Trust. It was requested that this should be done for all schools, with a view to answering to Ofsted requirements around “alternative provision”. <b>JL agreed to ensure this is actioned by Richard Barker (RB) (Head of School Organisation).</b></p>	JL, RB
10.	<b>AOB</b>	
	No other business was discussed. The meeting closed at 5.30pm.	

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**Next Meetings (all 4.00pm to 6.00pm and starting with a pre-meet at 3.30pm):**

Wednesday 15 January 2020, Committee Room 3, Brighton Town Hall

Monday 16 March 2020, Committee Room 3, Brighton Town Hall

Monday 15 June 2020, Committee Room 3, Brighton Town Hall

Monday 12 October 2020, Room G91, Hove Town Hall

Monday 7 December 2020, Room G91, Hove Town Hall

**Meeting:** Schools Forum  
**Date:** 15 January 2020  
**Report of:** Executive Director of Finance & Resources  
**Subject:** General Fund Budget Briefing 2020/21  
**Wards Affected:** All

**1 Purpose of the report**

1.1 This update provides the Schools Forum with headline information on the council's draft General Fund budget proposals for 2020/21 and highlights a number of financial challenges impacting on the council and schools. It also includes the Families, Children & Learning savings proposals for 2020/21 for contextual information.

**2 Recommendations**

- 2.1 To note the overall General Fund budget position for 2020/21.
- 2.2 To note the council's draft General Fund budget proposals (savings) for the Families, Children & Learning directorate for 2020/21 (Appendix 2).
- 2.3 To feedback comments and queries to the council's Chief Finance Officer for the consideration of Members and the council's Executive Leadership Team (ELT).

**3 Background**

- 3.1 The 2020/21 budget setting process is somewhat different to recent years for a number of reasons:
  - i) The previous Conservative government announced a one year Spending Review covering 2020/21 prior to the General Election on 12 December 2019. This meant that not only was there uncertainty for 2020/21 but there remains considerable uncertainty about the longer term financial position for the General Fund;
  - ii) A Conservative government has been re-elected with an increased majority and has confirmed the one year Spending Review announcement in the provisional Local Government Financial Settlement (LGFS) issued on 20 December;
  - iii) The Spending Review included significant additional resources for Schools and Special Educational Needs which were referred to in the Queen's Speech indicating significant additional resources over the next 3 years.
- 3.2 The Spending Review is therefore a departure from the previous 10 years of funding reductions and is expected to provide additional resources of approximately £9.5m including an Adult Social Care precept of 2% (i.e. Council Tax increase) if approved by the full Council. The majority of the additional resources are for Adult Social Care. While these resources are welcome, they must be put in the context of funding reductions on the General Fund of around £110m over the 10-year period primarily through reduction of Formula Grant and, in more recent years, Revenue Support Grant.

3.3 Overall, the council has had to find savings of around £177 million over the 10-year period to balance the budget. This is because in addition to funding reductions the council has been experiencing inflationary pay and price increases as well as very substantial increases in the cost of and demand for Adults and Children's Social Care services as well as Homelessness. Although taxation revenues have increased over the period, due to government excessive council tax regulations these increases have been limited, including freezes in some years, and have not kept pace with inflation and growing demands.

3.4 In summary, the draft General Fund budget proposals include:

- a planning assumption of a 1.99% Council Tax increase and 2% Adult Social Care precept together with tax base increases generating £8.498m resources;
- substantial investment to meet cost and demand-driven service pressures of £11.569m, particularly in Adult Social Care;
- provision to offset grant losses of £2.225m (mainly relating to the tapering of the New Homes Bonus grant);
- provision for pay and price inflationary pressures and uplifts of over £5m;
- provision for unavoidable contractual and capital financing commitments of £1.518m;
- provision for potential investments arising from previous decisions or intentions of £0.910m;
- provision of a financial risk safety net of £0.750m.

After taking into account the additional government grant funding and increased taxation resources available, this still leaves the council needing to find savings of approximately £9.7 million to balance the General Fund budget. At the draft budget stage, the budget is still in development and in particular needs to be assessed against the recently approved Corporate Plan 2020-2023 to ensure the proposals are a reasonable fit with the commitments and priorities identified.

#### Draft Budget Proposals 2020/21

3.5 As reported to the 5 December Policy & Resources meeting, draft savings proposals of £9.665 million had been identified for 2020/21 which, after taking account of inflation, service pressures and unavoidable commitments, left a small balance of £0.307 million potentially available for investment. However, the provisional Local Government Financial Settlement has now been received and this indicates that resources are £0.404 million less than predicted meaning that there is currently a small deficit of around £0.097 million.

#### Savings Proposals

3.6 As in previous years, each directorate has set out its proposals for achieving savings that align with the council's modernisation approach and corporate priorities as far as possible. The proposals are summarised in the 5 December 2019 budget report to Policy & Resources and set out in detail in Appendix 2 of the report. Total savings of £9.665 million are currently proposed but of most relevance to schools are the savings proposals for the Families, Children & Learning Directorate which are reproduced in summary form at Appendix 2 of this report for information. This shows savings proposals of £3.840 million for the directorate, however, this includes £1.970 million savings in relation to Adult Learning Disability Services which are also managed in this

directorate. Overall, the £9.665 million savings proposals can also be broadly categorised as follows:

<b>Savings Programme Areas</b>		
<b>Category</b>	<b>Rationale</b>	<b>Amount (£m)</b>
Service Delivery Model Changes	Improving value for money can often be achieved through service redesign and remodelling or through re-commissioning or re-providing services in more effective ways based on best practice models and research.	1.545
Efficiency & Other VFM savings	Services can and should strive for cost efficient service delivery that provides good value for money. This means continually exploring opportunities including skills development, process redesign and utilising new technologies or digital investment to improve services and/or reduce operational costs.	4.809
Income Optimisation & Enterprise Strategy	The council continues to explore innovative business opportunities for generating income such as developing new chargeable services, benchmarking fees & charges to alternatives, or vying for public sector service contracts where practicable. Savings through effective procurement and contract management are also important.	2.706
Collaboration	The Orbis Shared Service with Surrey and East Sussex County Councils aims to achieve cost reductions across support functions through scale economies, sharing best practice and investing in improved and integrated processes and teams. Other collaboration opportunities, including procurements, are also explored where these can help to share or reduce overall costs.	0.605
<b>Total Savings 2020/21</b>		<b>9.665</b>

### Service Pressure Funding

- 3.7 Service Pressure funding is primarily provided through the re-investment of savings to support priority investment areas and protect services for vulnerable people by funding projected growth in demands and exceptional (i.e. above-inflation) cost increases. As noted above, service pressures are a key driver of the large savings requirement on the General Fund in order to balance the budget. The draft allocation of Service Pressure funding in 2020/21 includes the following main pressure areas:

<b>Draft Service Pressure Funding 2020/21</b>		
<b>Service Area</b>	<b>£m</b>	<b>Description</b>
Children's Social Care	1.045	To support increasing demand and costs of Looked After Children.
Adults Social Care including Learning Disabilities	6.000	To support increased demand and costs in community care (physical, memory & cognition, and mental health services), learning disabilities and reductions in CCG partner contributions.
City Environmental	1.090	Increased cost of bin collection rounds and fleet

Management		management together with commercial services income pressures.
Housing & Temporary Accommodation (TA)	0.300	Increased costs of TA provision and Seaside Homes rent guarantee
Information Technology & Digital and Information Governance	0.750	Contractual commitments including the Microsoft Enterprise Agreement and increased costs of responding to Subjects Access Requests (SAR's)
Housing Benefits	0.150	Increased cost and number of vulnerable tenants in supported accommodation where housing benefit is not fully funded by government
Various income pressures	0.465	Significant unavoidable reductions in income across Life Events, Commercial Rents and Sports & Leisure
Corporate or council-wide pressures	1.030	Additional statutory cost of holiday pay for additional hours / overtime and Resident Service Guarantee payments and underachieved sustainable social care programme savings.
Other identified pressures	0.739	Variety of smaller, unavoidable above-inflation pressures across many services
<b>Total Draft Service Pressure Funding</b>	<b>11.569</b>	

Overall, the draft budget includes £11.569 million for meeting service pressures which are primarily provided for by reinvestment of the savings identified above. The final treatment and allocation of service pressure funding and risk provisions will be included in the budget report to the Policy & Resources Committee in February 2020 when the final overall resource position will be known, including an update on financial performance in the current year which is currently running at a projected overspend of nearly £4 million.

- 3.8 Note, the budget proposals include the deletion of an estimated 56 full time posts in 2020/21, some of which may result in staff being at risk of redundancy.

#### Future Years

- 3.9 A key point of interest to local authorities continues to be to understand what proposals are likely to come forward for the long term funding of social care. Currently, the council receives around £6 million Better Care Fund resources together with a one-off Better Care Fund allocation of £1.733 million. All of these resources have been confirmed again for 2020/21 but Local Authorities are concerned about how these will be addressed in the next government Comprehensive Spending Review (CSR) or alternatively replaced by another form of funding for social care.
- 3.10 Alongside social care funding, the next CSR will also need to provide greater clarity on a wide range of issues including:
- The proposed national distribution of resources through the government's 'Fair Funding Review' which the government recently consulted on;
  - The impact of any proposals to increase the local retention of business rates from 50% to 75% including the transfer of Public Health grant and other funding streams

into this mechanism [although it should be noted that this is now uncertain and was not referred to in the Queen's Speech];

- Changes to and/or decisions on the future of the New Homes Bonus scheme and rules;
- Changes to taxation rules and regulations including 'excessive council tax regulations', and;
- The government's stance on future public sector borrowing targets and what this may mean for local government (and schools) finances.

Schools will also be clearly watching the national picture in respect of both funding and development of the national formula.

#### **4 Timetable**

- 4.1 The full set of 2020/21 draft proposals are now being consulted on widely with residents, partners, staff, unions and other stakeholders. The final budget report will be taken to Policy & Resources Committee on 13 February 2020 including feedback from consultation processes. The budget will be considered by Budget Council on 27 February 2020.

#### **5 Implications for Schools**

- 5.1 Separate reports on this agenda set out the implications of the finance settlement for the schools and other blocks (particularly High Needs).
- 5.2 It is recognised that the funding situation for schools has also been very challenging and many are experiencing pressures in much the same way that the council's General Fund public services are. There are an increased number of schools with licensed deficits, which are being monitored closely, and others that are having to take significant cost saving measures to achieve balance. There is also a recognition of the pressures facing local schools including roll numbers and pressures on the high needs block.
- 5.3 The additional resources announced in the one-year Spending Review have now been confirmed for 2020/21 and will provide around £7 million extra resources for schools locally, representing a 4.3% increase. The Queen's Speech has also reiterated the government's intention to provide around £14 billion nationally over a 3-year period.
- 5.4 The General Fund budget report refers to the schools funding position and highlights to members the current situation regarding formula funding and the position on school balances (which have also recovered compared with previous years).
- 5.5 More generally, the Schools Finance service will continue to help and advise schools in the development of financial plans to manage their finances including those with licensed deficits. Officers will continue to keep members informed of schools' financial position through the General Fund budget report and on an ongoing basis through the Targeted Budget Management (TBM) budget monitoring reports to Policy & Resources Committee.

## Appendix 1 – General Fund Budget Information and Allocation of 2020/21 Savings Proposals

2019/20 Budget Data				2020/21 Saving Proposals	
Service Area	Gross budget 2019/20	Net budget 2019/20	FTEs 2019/20	Savings 2020/21	Posts Deleted 2020/21
	£'000	£'000	FTE	£'000	FTE
Director of Families, Children & Learning	311	92	4.6	0	0.0
Health, SEN & Disability Services	47,626	39,890	294.1	2,130	0.0
Education & Skills	13,502	7,155	257.2	235	6.4
Children's Safeguarding & Care	42,861	40,371	311.8	1,437	3.5
Quality Assurance & Performance	1,435	1,373	27.9	38	0.0
<b>Families, Children &amp; Learning Total</b>	<b>105,735</b>	<b>88,881</b>	<b>895.6</b>	<b>3,840</b>	<b>9.9</b>
Adult Social Care	55,423	32,360	483.8	0	0.0
Integrated Commissioning	10,476	8,842	52.3	0	0.0
S75 Sussex Partnership Foundation Trust (SPFT)	24,952	16,345	55.2	0	0.0
Public Health	20,386	0	48.5	0	0.0
<b>Health &amp; Adult Social Care Total</b>	<b>111,237</b>	<b>57,547</b>	<b>639.8</b>	<b>0</b>	<b>0.0</b>
Transport	38,355	672	178.0	2,306	1.0
City Environmental Management	32,489	29,956	466.1	225	0.0
City Development & Regeneration	5,246	2,555	95.8	155	2.5
Culture, Tourism & Sport	15,825	3,712	207.3	260	0.0
Property & Design	13,924	1,573	108.8	418	5.0
<b>Economy, Environment &amp; Culture Total</b>	<b>105,839</b>	<b>38,467</b>	<b>1,056.0</b>	<b>3,364</b>	<b>8.5</b>
Housing General Fund	22,049	5,099	111.5	500	0.0
Libraries	5,124	4,605	61.7	89	0.0
Communities, Equalities & Third Sector	3,233	2,772	11.3	175	3.0
Safer Communities	5,020	2,775	76.9	205	3.5
<b>Housing, Neighbourhoods &amp; Communities Total</b>	<b>35,427</b>	<b>15,251</b>	<b>261.4</b>	<b>969</b>	<b>6.5</b>
Finance (Mobo)	119	65	0.0	0	0.0
Procurement (Mobo)	(416)	(416)	0.0	0	0.0
HR & Organisational Development (Mobo)	725	593	11.8	0	0.0
IT & D (Mobo)	2,662	2,492	2.3	225	0.0

2019/20 Budget Data			
Service Area	Gross budget 2019/20	Net budget 2019/20	FTEs 2019/20
	£'000	£'000	FTE
Revenues & Benefits (Mobo)	7,342	4,784	162.8
Business Operations (Mobo)	(188)	(188)	4.0
Contribution to Orbis	10,516	10,516	312.1
<b>Finance &amp; Resources Total</b>	<b>20,760</b>	<b>17,846</b>	<b>493.0</b>
Corporate Policy	686	623	6.5
Legal Services	1,691	1,331	51.4
Democratic & Civic Office Services	1,751	1,679	15.8
Life Events	3,733	103	48.2
Performance, Improvement & Programmes	628	628	25.4
Communications	580	564	16.0
<b>Strategy, Governance &amp; Law Total</b>	<b>9,069</b>	<b>4,928</b>	<b>163.3</b>
<b>Corporately-held Budgets Total</b>	<b>21,659</b>	<b>(10,648)</b>	<b>0.0</b>
<b>Grand Total</b>	<b>409,726</b>	<b>212,272</b>	<b>3,509.1</b>

2020/21 Saving Proposals	
Savings 2020/21	Posts Deleted 2020/21
£'000	FTE
250	8.5
0	0.0
477	9.0
<b>952</b>	<b>17.5</b>
27	0.0
103	2.4
59	1.4
8	0.0
49	6.0
44	4.0
<b>290</b>	<b>13.8</b>
<b>250</b>	<b>0</b>
<b>9,665</b>	<b>56.2</b>

## Appendix 2 – Families, Children & Learning Savings Proposals 2020/21

Service Area					Saving Proposals	
Section	Service Area	Gross budget 2019/20	Net budget 2019/20	FTEs 2019/20	Brief Summary of Budget Proposal/Strategy and Risks	Savings 2020/21
		£'000	£'000	FTE		£'000
<b>FAMILIES, CHILDREN &amp; LEARNING</b>						
<b>DIRECTOR OF FAMILIES, CHILDREN &amp; LEARNING</b>						
Director of Families, Children and Learning	Salary and directorate support costs for the Director and support staff	311	92	4.6		0
<b>Director of Families, Children &amp; Learning Total</b>		<b>311</b>	<b>92</b>	<b>4.6</b>		<b>0</b>
<b>HEALTH, SEN &amp; DISABILITY SERVICES</b>						
Services for children with disabilities	Residential, respite and short breaks.	1,773	1,253	46.4	Review of use of in-house provision and respite to extend the range of options for parents with more emphasis on extended day, evening and weekend activities - overnight respite would still be available for those in most need and where children require shared care. See EIA 1.	20
Services for children with disabilities and Adults with learning disabilities	Management, assessment, operations and admin	2,119	2,019	50.8		0
Services for children with disabilities	Direct payments	819	462	0.0		0
Services for children with disabilities	Family support services	294	234	3.2		0
Services for children with disabilities	Contracted services, adaptations, management	766	664	0.0	Possible re-negotiation / re-tendering / bringing in-house Children's Disability Service contracts. Calculated at 10% of current contract value. This is linked to more bespoke commissioning relating to the Health, SEN and Disability branch.	70
Agency disability	Independent and non maintained children's homes, special schools and boarding school placements	1,089	724	0.0		0
Special educational needs	Special Educational Needs	786	252	19.0		0
Inclusion Support Service	Inclusion Support Service. Including Educational Psychology Service and Child & Adolescent Mental Health Services (CAMHS)	1,301	328	30.8	Full traded service established with schools. Buyback in 2020/21 will be on a full-year basis and this should facilitate savings in core budget provision. Failure to achieve full buyback may impact on service levels leading to a possible review of staffing.	70
Community Care (Adults) including: Community Support Day Care	Learning Disabilities	32,986	29,331	0.0	Savings in 2020/21 are proposed through a number of targeted strategies.  The 'Move On' project has been very successful in supporting	1,970

Service Area					Saving Proposals	
Section	Service Area	Gross budget 2019/20	Net budget 2019/20	FTEs 2019/20	Brief Summary of Budget Proposal/Strategy and Risks	Savings 2020/21
		£'000	£'000	FTE		£'000
Direct Payments Home Care Shared Lives Supported Accommodation Residential Care Nursing Care					<p>adults with LD to move on from high cost placements into new living arrangements which have enabled them to experience greater independence and control over their lives. It is anticipated that a further saving could be achieved using this strategy whilst maintaining positive outcomes for service users.</p> <p>Review of transport arrangements for clients aged between 18 and 25 attending education provision.</p> <p>Seek appropriate funding for clients from external agencies such as Health, particularly through Continuing Healthcare (CHC) funding.</p> <p>Review of existing block contracts for recently outsourced services, in particular through a review of client needs where over provision currently exists, and better utilisation of voids.</p> <p>Better planning of arrangements for new service users, in particular clients transitioning from Children's social care. The recently established 14-25 social work pod within the service will seek to provide a greater focus on this high cost area.</p> <p>Use of internal dedicated resource to re-assess direct payment levels.</p> <p>Utilisation of voids in external contracts.</p> <p>There are some risks in these strategies - to reduce fees or restrict fee increases paid to providers there may be a risk of providers terminating contracts, and closure of services. To reduce level of support within individual care packages the council would be at risk of not fulfilling statutory duties, experiencing a breakdown of packages and putting a greater pressure on carers.</p> <p>In addition to the savings identified the Council has identified budget pressures based on the anticipated increase in costs for current and future clients.</p> <p>See EIA 2.</p>	

Service Area					Saving Proposals	
Section	Service Area	Gross budget 2019/20	Net budget 2019/20	FTEs 2019/20	Brief Summary of Budget Proposal/Strategy and Risks	Savings 2020/21
		£'000	£'000	FTE		£'000
Learning Disabilities - Community Support (Adults)	Community Support Service	193	173	5.1		0
Learning Disabilities - Day Services (Adults)	Learning Disabilities Day Options	721	697	21.9		0
Learning Disabilities - Residential (Adults)	In house Residential and Supported Living	3,871	2,925	94.5		0
Learning Disabilities - Residential (Adults)	Respite Services	908	828	22.4		0
Learning Disabilities - Shared Lives (Adults)	Shared Lives Service	Budget included above	Budget included above			0
Learning Disabilities - Supported Accommodation (Adults)	Registered Supported Living (8 Services)	Budget included above	Budget included above			0
<b>Health, SEN &amp; Disability Services Total</b>		<b>47,626</b>	<b>39,890</b>	<b>294.1</b>		<b>2,130</b>
<b>EDUCATION &amp; SKILLS</b>						
Schools PFI	PFI budget for 3 schools	2,370	(40)	0.0		0
Standards & Achievement	Core school intervention team, commissioned school partnership advisers (this funding previously was part of the Education Services Grant - please see below). Note: Income of £76k from services to schools has been netted off within the gross budget.	342	342	3.1	Service provides a range of statutory functions including school improvement, intervening if a school is failing or at risk of failure, assessment, Religious Education (RE) and Personal, Social Health and Citizens Education (PSHCE). Key focus promoting high standards (particularly for disadvantaged), includes facilitating and leading the education partnership; supporting Head appointment, liaison with Ofsted and working with partnerships and individual schools to maintain and improve standards. Team intervenes when schools are at risk of failure (schools causing concern). The saving is predicated on assumption that Brighton & Hove maintain a high percentage of schools judged by Ofsted to be Good and Outstanding as this minimises need for interventions. Currently 1 inadequate and 5 Requires Improvement (RI) schools. Saving will reduce financial support and intervention to schools causing concern who are currently not RI or inadequate. This is currently a manageable risk	25

Service Area					Saving Proposals	
Section	Service Area	Gross budget 2019/20	Net budget 2019/20	FTEs 2019/20	Brief Summary of Budget Proposal/Strategy and Risks	Savings 2020/21
		£'000	£'000	FTE		£'000
					<p>Risks:</p> <ul style="list-style-type: none"> <li>- Insufficient intervention means more schools moved to RI or Inadequate (and academisation forced) (medium)</li> <li>- Negative effect on all educational outcomes as school Improvement activity is reduced in schools because schools prioritise funding on day to day operations (low)</li> <li>• Statutory functions in RE or PSHCE or assessment monitoring cannot take place to meet requirement. Equalities that may not take place in same way which exposes the council to reputational risk. (low)</li> <li>• City Education Partnership fails due to lack of capacity to lead (low)</li> <li>• If it is perceived that the whole package of support to schools is reducing, schools may look more to academy chains as an alternative (low)</li> </ul>	
Governor Support	This service provides challenge and support to governors to fulfil the statutory role as a LA. It also provides a high quality traded service which has a high percentage buy back from schools. Note: Income of £100k from services to schools has been netted off within the gross budget.	32	29	2.6	<p>Savings to be achieved by increasing cost of Governor service and Newly Qualified Teacher (NQT) SLA and selling service to out of authority schools. Selling more out of authority unlikely and already at a max without having more resource to work further afield.</p> <p>Risk:</p> <ul style="list-style-type: none"> <li>- Impact upon ability to provide statutory parts of Governance duties including appointment and induction</li> <li>- Adverse impact on school and ability to provide Head Teacher training, induction of new Heads, website checks.</li> <li>- Increase in cost of NQT service (by c.30%) runs risk of customers in and out of authority seeking service from another authority or institution - high risk. (there are competitors who could provide service cheaper);</li> <li>- Increase in cost of Governor service (by c. 20%). Risk that service would not be brought by schools or be sought from another authority or institution. Could result in school</li> </ul>	29

Service Area					Saving Proposals	
Section	Service Area	Gross budget 2019/20	Net budget 2019/20	FTEs 2019/20	Brief Summary of Budget Proposal/Strategy and Risks	Savings 2020/21
		£'000	£'000	FTE		£'000
					improvement concern	
School Improvement Monitoring Grant		225	0	0.0	This grant was introduced when a decision was made by central government to not implement the white paper. This grant is temporary and until there is clearer direction as to education strategy nationally we do not know whether it will continue beyond this academic year.  Effectively the grant enables the LA to monitor schools but also intervene when schools are causing concern or at risk of failure.	0
School Organisation and Admissions.	This includes our staff and support to deliver on our statutory school organisation and admissions role and management and leadership of school meals and all other statutory school organisation functions. Note: Income of £110k from services to schools has been netted off within the gross budget.	127	74	10.5	There are no proposed savings to this budget given the need to deliver the statutory responsibilities around school organisation and admissions.	0
Home to School Transport	Transport between home and school for children who live beyond the statutory walking distance. The appropriate school is the nearest maintained school to the child's home that is suitable to their age, educational needs and has a place available.	2,415	2,375	1.1		0
Other Services/Management	The Virtual School.	55	17	0.0		0
Other Services/Management	Branch Leadership and Management	114	114	3.0	Additional reduction in admin support for education and skills branch	8
Other Services/Management	Redundancy & Asset management	(82)	(231)	0.0		0

Service Area					Saving Proposals	
Section	Service Area	Gross budget 2019/20	Net budget 2019/20	FTEs 2019/20	Brief Summary of Budget Proposal/Strategy and Risks	Savings 2020/21
		£'000	£'000	FTE		£'000
Other Services/Management	Education and Traded services support	23	(30)	1.0		0
Youth Services	The Council run Youth Participation Team deliver citywide youth participation and advocacy which supports wider engagement but also targets more vulnerable groups of young people. The Youth Grants Programme funds voluntary sector providers to run neighbourhood and equality youth services in targeted areas across the city. The Youth Led Grants programme funds small, one year projects	1,034	705	12.2	To consider future funding following the outcome of the Preventative Review. At present the Housing Revenue Account contributes £250k to the funding for Youth Grants. This funding has not yet been confirmed for April 2020 onwards.	0
Early Years - Children's Centres	City-wide service co-located with health visiting which aims to improve outcomes for children under 5. Seven designated Children's Centre's and delivery points across the city.	1,485	1,451	40.6	There was a review of children's centres in 2015 with a public consultation and reductions in funding. The number of designated children's centres was reduced to seven. The smaller children's centres were retained as linked sites with reduced activities. Since then small efficiency savings have been made to reduce costs. No further savings are proposed.	0
Early Years Nurseries	Subsidy for the Council run nurseries (Acorn, Bright Start, Cherry Tree, Jump Start, Roundabout, Pavilion and Sun Valley) and Tarnerland Nursery School. The nurseries provide free childcare places for 2, 3 and 4 year olds and childcare that parents pay for. Statutory duties to secure sufficient free early education for 4, 3 and low income 2 year olds. Statutory duty to secure sufficient	1,656	554	101.0	The Council receives a low level of funding from the Government for free childcare and has to subsidise the costs of the nurseries. The Council was given notice to terminate the lease for Sun Valley Nursery at the Valley Social Centre in October 2019 so the subsidy for the nursery will no longer be needed. The children and staff moved to the nearby Roundabout Nursery in September. Roundabout Nursery is a popular nursery which is also run by the council and has an outstanding Ofsted rating. A new nursery is being opened by Whitehawk Academy and will provide additional places so there will continue to be sufficient childcare places in Whitehawk.	34

Service Area					Saving Proposals	
Section	Service Area	Gross budget 2019/20	Net budget 2019/20	FTEs 2019/20	Brief Summary of Budget Proposal/Strategy and Risks	Savings 2020/21
		£'000	£'000	FTE		£'000
	childcare for working parents.					
Early Years - Childcare	Support for nurseries, childminders, out of school childcare, childcare workforce training, and management and administration of free early years entitlement for 2/3/4 year olds. Statutory duty to secure sufficient childcare places and information, advice and training to childcare providers.	347	233	5.7	To charge for in depth quality improvement support (£5k) for providers judged good or better by Ofsted with low numbers of disadvantaged children. The risk is that providers will choose not to pay for this support. To start charging childcare providers for safeguarding training (£7k). This risk is that fewer providers will attend training and knowledge of safeguarding will reduce. All other courses are already charged for. To use a different source of funding (the Dedicated Schools Grant) to support quality improvement for early years providers with less than good Ofsted inspections (£20k). See EIA 3.	32
Early Help - Integrated Team for Families (ITF) and Parenting Service (including the Troubled Families Grant)	The ITF & Parenting Service work with families with children of all ages who have multiple complex needs that generally fall just below the social work threshold, including Family Coaching, specific interventions and group work programmes. The Parenting Service delivers evidence based group and 1-1 parenting interventions. Much of this service is funded by the Troubled Families Grant. Brighton & Hove has been successful in gaining 'Earned Autonomy' which has provided greater certainty of funding until 2020 and reduced our reporting requirements	1,757	557	26.1	There are no proposals for changes because of the uncertainty of the funding from the Government's Troubled Families Programme.	0
Skills & Employment	This team supports • Adult Education Budget & Community Learning	542	109	7.1	Key statutory function is to ensure that the mix and balance of provision for 16-19 year olds meets the needs of young people in the city, particularly for vulnerable groups; governance and	0

Service Area					Saving Proposals	
Section	Service Area	Gross budget 2019/20	Net budget 2019/20	FTEs 2019/20	Brief Summary of Budget Proposal/Strategy and Risks	Savings 2020/21
		£'000	£'000	FTE		£'000
	• Post-16				compliance of the council's Adult Education and community learning budgets; to ensure the delivery of the City Employment and Skills Plan (CESP). The CESP has three key priorities- No-one Left Behind, Learn to Earn and Benefitting from Business Growth- the third being an Economic Development priority. No savings proposed.	
Skills & Employment	This team supports: • Youth Employability Service • Supported Employment Team • Able & Willing Placements Scheme	945	828	34.2	The Youth Employability Service (YES) has been very successful in ensuring that the number of young people not in education, employment and training in Brighton & Hove is relatively low. This means that young people have a good start on their employment journey. In January 2019, The Children, Young People and Skills Committee agreed that the future delivery model of Able & Willing be changed to a rolling work placement programme matching suitable placements within council services for candidates who are disabled. The council's Supported Employment Team (SET) work with local people who have disabilities, including learning disabilities, helping them seek and maintain employment. Although there is no statutory requirement to deliver the SET services, there is an ongoing administration commitment to support those furthest from the labour market into work. At budget council in February 2018 an additional pot of funding was allocated to support those aged 18-24 into work. The team provides support to the employee, the employer and work colleagues through training, job coaching and advice. The SET work much closer with the YES to deliver the council's objective to target young people with SEND, in order to increase the percentage who are able to access sustainable employment. It is proposed that savings will be identified through a redesign of these services, with specific focus on rationalising the management arrangements across the 2 services. Delivery risk – low. See EIA 4.	102
Skills & Employment	Apprenticeship Team	125	125	1.0	The apprenticeship team is focussed on ensuring that council services (including schools) maximise the number of apprenticeship take-ups of all ages so that the Council is able to access its own funds via the Apprenticeship levy which is £2m (as at August 2019). The council must also have 'due	0

Service Area					Saving Proposals	
Section	Service Area	Gross budget 2019/20	Net budget 2019/20	FTEs 2019/20	Brief Summary of Budget Proposal/Strategy and Risks	Savings 2020/21
		£'000	£'000	FTE		£'000
					regard' to public sector targets, 2.3% of the workforce head-count as starts per year. The team are also responsible for the transfer of levy funds to Small and Medium Sized Enterprises (SME's) in the city linking to the CESP priorities. No savings proposed.	
Print & Sign	Print & Sign Unit	(10)	(57)	8.0	This service is entirely funded by work it carries out on a cost recovery basis. There is a small saving derived from staff changes and increased work. Delivery risk - low	5
<b>Education &amp; Skills Total</b>		<b>13,502</b>	<b>7,155</b>	<b>257.2</b>		<b>235</b>
<b>CHILDREN'S SAFEGUARDING &amp; CARE</b>						
Fostering & Adoption	Payments to in-house carers for fostered and adopted children.	7,562	7,562	0.0	Reduction in need for inter-agency adoption placements given reducing demand (arising from model of social work practice and reducing numbers of children in care). Delivery risk:	0
Fostering & Adoption	Staffing teams assessing and supporting foster carers and potential adopters. Allowances paid to Adopters	3,956	3,832	59.9	Increase in numbers of children requiring adoptive placements will result in need for increase in use of inter agency placements.	130
Social Work & Legal	Social work staffing teams.	9,535	9,535	181.4	Review of administration of Child Protection conferences to a IT&D based approach will result in Business Support savings. Delivery Risk - minimal	90
Social Work & Legal	Expenditure incurred under section 17 & 18 of the 1989 Children Act.	557	557	0.0	Budget ensures that the Council is able to fulfil its statutory duties to support families in need. Effective budget management (achieved by devolving budgets) has resulted in an underspend on Section 17 budget line. Delivery Risk - Reduction in Section 17 spending will reduce ability to support families resulting in possible escalation of need. This is offset by current underspend across Section 17 budgets.	130
Social Work & Legal	Legal costs relating to assessment and court fees.	925	925	0.0	Modest savings proposed given reduction in care applications Delivery Risk - minimal given reduction in care applications	75
Contact Service	Family contact for children in care (CiC) and children in need (CIN)	799	799	5.7	The service co-ordinates, supports and supervises court ordered parental and family contact with children in care and children in need. Service redesign has resulted in significant savings in previous years.  Review of sessional worker use and their transportation costs	30

Service Area					Saving Proposals	
Section	Service Area	Gross budget 2019/20	Net budget 2019/20	FTEs 2019/20	Brief Summary of Budget Proposal/Strategy and Risks	Savings 2020/21
		£'000	£'000	FTE		£'000
					should result in modest savings.  Delivery Risk - minimal given reducing numbers of Children in Care.	
Care Leavers	Services for 18-24 year olds leaving care, including staying put and ex-asylum seekers.	3,642	3,017	9.0	No savings proposed given increased responsibilities to care leavers up to age 25 and existing pressures on budget	0
Agency Placements	Residential, fostering and secure placements for looked after children provided by external agencies	12,259	11,139	4.0	<p>Project to increase the number of in house foster placements and reduce reliance on more expensive independent provider provision is ongoing.</p> <p>Provision of high quality, value for money provision through contracted services with external providers supported by the children's services framework contract arrangements and preferred provider guidelines. In addition to the savings proposed there is pressure funding of £475k in 20-21 to cover future anticipated increased costs for existing clients.</p> <p>Relationship based social work practice and the specialist adolescence service is contributing to diverting children from the care system, and for those already in care, a stepping down to in house and/or less expensive placements. The overall number of children in care has continued to reduce locally (in the context of a national increase) and close scrutiny of placement costs, together with an increase in in-house foster carers is contributing to a reduction in unit costs.</p> <p>Work streams:            Increasing number of in house foster carers and those able to provide support to more complex children;            Increasing and extending preferred provider options for the Local Authority in partnership across the South East;            Developing in house capacity with regards Supported Lodgings and Unaccompanied Asylum Seeking Children (UASC) - an area of increasing demand and unit costs.</p> <p>Review of Special Guardianship Order (SGO) allowances and reducing by child benefit amounts to bring payments in line with East &amp; West Sussex will result in savings. Delivery Risk:</p>	907

Service Area					Saving Proposals	
Section	Service Area	Gross budget 2019/20	Net budget 2019/20	FTEs 2019/20	Brief Summary of Budget Proposal/Strategy and Risks	Savings 2020/21
		£'000	£'000	FTE		£'000
					<p>This is a high cost service where the failure of effective prevention and demand management will not only impact on the achievement of cost reduction but is likely to be of corporate financial significance to the council's challenging medium term financial position. The proposals set out here assume that other pressures on this budget will be met across the overall budget. A small number of adolescents with very significant needs continue to provide pressure on these budgets combined with a national shortage of placements.</p> <p>Impact on Outcomes: Improved practice model prevents children needing care and contributes to improved outcomes for young people. Demand management has implications for managing risk effectively to meet safeguarding requirements and statutory duties.</p> <p>See EIA 5.</p>	
Agency Placements	Residential, fostering and secure placements for looked after children provided by external agencies	As above	As above		<p>Invest to save proposal for "pop up" registered provision to provide emergency short term accommodation for young people who otherwise would be placed in unregistered and expensive placements (cost at least £6.5k per week) whilst appropriate accommodation identified. Will require corporate investment and delay until 21/22 in identified savings being achieved given time required to purchase and set up provision (e.g. Ofsted registration; registered manager; staffing)</p> <p>Delivery risk - high. Will involve securing appropriate accommodation within short timescales and having available sessional work staff to operate "pop up" provision.</p>	0
Adolescent Service	Support and supervision to young people at risk of exploitation, some of whom are at risk of becoming involved in the Criminal Justice System and preventative work for children and young people at risk of becoming involved in offending.	2,310	1,788	40.9	<p>The adolescent service brings together a number of different teams who work with higher risk young people. It has been successful in ensuring that needs are largely met and has reduced the funding pressures arising from this group of young people. No savings proposed</p>	0

Service Area					Saving Proposals	
Section	Service Area	Gross budget 2019/20	Net budget 2019/20	FTEs 2019/20	Brief Summary of Budget Proposal/Strategy and Risks	Savings 2020/21
		£'000	£'000	FTE		£'000
Family Support Services	Family group conferences and intensive intervention initiatives	413	382	4.7	Maintaining investment in this preventive service area is critical for effective demand management. Family Group Conferencing is used to identify alternative means to meet the needs of families who are facing difficulties and so avoid the need for a child to be brought into care. No savings proposed	0
Partners in Change (PIC) Hub & specialist assessments	Lead practitioners and adult workers supporting social workers to manage risk effectively within families; specialist assessments to support social work decision making	903	835	6.2	Review of domestic abuse perpetrator programme to move from group work delivery model to relationship based individual work supported by PIC Hub. Review of Looking Forward project overall and reduction in seconded post from Oasis. Delivery risk - low. Changes will fit with model of social work practice  See EIA 6.	75
<b>Children's Safeguarding &amp; Care Total</b>		<b>42,861</b>	<b>40,371</b>	<b>311.8</b>		<b>1,437</b>
<b>QUALITY ASSURANCE &amp; PERFORMANCE</b>						
Children's Safeguarding & Quality Assurance	Specific child protection services, the Brighton & Hove Safeguarding Children's Partnership (BHSCP) and independent reviewing officers. Note: Income of £45k from services to schools has been netted off within the gross budget.	1,435	1,373	27.9	BHSCP management and admin is a statutory multi-agency funded safeguarding function. Child protection services and Independent Reviewing Officers are statutory services with high caseloads and increasing demands. Increase in funding from safeguarding partners will result in BHCC contribution to Safeguarding Children's Partnership to be made.	38
<b>Quality Assurance &amp; Performance Total</b>		<b>1,435</b>	<b>1,373</b>	<b>27.9</b>		<b>38</b>
<b>Families, Children &amp; Learning Total</b>		<b>105,735</b>	<b>88,881</b>	<b>895.6</b>		<b>3,840</b>

**Brighton & Hove City Council****Meeting:** Schools Forum**Date:** 15 January 2020**Report of:** Head of Health, Adults, Families, Children and Learning Finance**Subject:** DSG 2019/20**Wards Affected:** All**1 Purpose of the report**

1.1 To update the Schools Forum on the DSG for 2019/20.

**2 Recommendations**

2.1 To note the updated DSG for 2018/19 of £177.553m (before Academy recoupment of £13.748m), which has reduced by £0.270m from the previously notified £177.823m. This relates to a reduction in the Early Years Block (EYB) of £0.414m, and a one off increase in the High Needs Block (HNB) of £0.144m.

**3 Overall DSG 2019/20**

3.1 This table provides a summary of the 2019/20 DSG allocation as announced by DfE in November 2019.

3.2 The updated DSG for 2019/20, due to an over claim in the Early Years January 2019 census we have worked with the DfE to identify and correct for January 2020, however this has resulted in a reduction in the EYB of £0.414m. We have successfully gained a one of increase in the HNB for 2019/20 of £0.144m due to the import/export adjustments the DfE make for students in FE colleges.

	<b>Schools Block</b>	<b>Central Services Schools Block</b>	<b>High Needs Block</b>	<b>Early Years Block</b>	<b>Total 2019/20</b>
	<b>£k</b>	<b>£k</b>	<b>£k</b>	<b>£k</b>	<b>£k</b>
Schools Block – Exception One	1,210	0	0	0	1,210
Schools Block – Growth Fund	494	0	0	0	494
Central Services Schools Block	0	1,241	41	12	1,294
	<b>1,704</b>	<b>1,241</b>	<b>41</b>	<b>12</b>	<b>2,998</b>
Funding available in HNB & EYB	0	0	25,342	15,422	40,764
Post de-delegation funding to schools	133,791	0	0	0	133,791
<b>Total Blocks (to be applied)</b>	<b>135,495</b>	<b>1,241</b>	<b>25,383</b>	<b>15,434</b>	<b>177,553</b>
<b>DfE Blocks (estimated)</b>	<b>134,211</b>	<b>2,627</b>	<b>25,293</b>	<b>15,422</b>	<b>177,553</b>
Difference	1,284	(1,386)	90	12	0
A. Exceptions DfE have in the CSSB rather than HNB/EYB	0	(53)	41	12	0
B. Delegation of Equal Pay, BHISS and Broadband	1,284	(1,333)	49	0	0

3.3 The overall summary of the 2019/20 DSG including the adjustments for Academy recoupment is shown in the table below:

	<b>Schools</b>	<b>Central Services Schools</b>	<b>High Needs</b>	<b>Early Years</b>	<b>Total DSG</b>
<b>Total DSG – as above</b>	<b>135.495</b>	<b>1.241</b>	<b>25.383</b>	<b>15.434</b>	<b>177.553</b>
<b>Initial split of 2019/20 DSG (%)</b>	<b>75.75</b>	<b>1.42</b>	<b>14.13</b>	<b>8.70</b>	<b>100.00</b>
Adjustments:					
Academy Recoupment – BACA (£m)	(3.939)	0.000	0.000	0.000	(3.939)
Academy Recoupment – PACA (£m)	(2.834)	0.000	0.000	0.000	(2.834)
Academy Recoupment – City Academy Whitehawk (£m)	(1.796)	0.000	0.000	0.000	(1.796)
Free School Recoupment – Kings School (£m)	(2.510)	0.000	0.000	0.000	(2.510)
Free School Recoupment – Bilingual Free School (£m)	(1.508)	0.000	0.000	0.000	(1.508)
<b>Total Academy Recoupment</b>	<b>(13.748)</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>(13.748)</b>
<b>Updated split of 2019/20 DSG – January 20 Forum (£m)</b>	<b>121.747</b>	<b>1.241</b>	<b>25.383</b>	<b>15.434</b>	<b>163.805</b>
<b>Updated split of 2019/20 DSG (%)</b>	<b>73.88</b>	<b>1.53</b>	<b>15.22</b>	<b>9.37</b>	<b>100.00</b>

Academies and free schools for 2019/20 – recoupment academies are BACA, PACA, & City Academy Whitehawk (CAW) and free school recoupment are Kings School and Bilingual Free School.

**Brighton & Hove City Council****Meeting: Schools Forum****Date: 15 January 2020****Report of: Head of Health, Adults, Families, Children and Learning Finance****Subject: DSG 2020/21****Wards Affected: All****1 Purpose of the report**

1.1 To update the Schools Forum on the DSG for 2020/21.

**2 Recommendations**

2.1 To note the updated DSG of £186.108m for 2020/21.

2.2 To agree the de-delegation of insurance within Exception 1 for the Primary phase of £0.290m as per paragraph 4.3, an increase of £0.007m, and staff costs of £0.050m an increase of £0.006m from the items agreed at the December 2019 Schools Forum.

2.3 To agree the de-delegation of insurance within Exception 1 for the Secondary phase of £0.201m as per paragraph 4.3, an increase of £0.032m, and staff costs of £0.050m an increase of £0.010m from the item agreed at the December 2019 Schools Forum.

2.4 To agree the Growth Fund of £0.397m as per paragraph 5.

2.5 To note the items within the Central Services Schools Block (CSSB) of £1.296m as per paragraph 6.

**3 Background**

3.1 In December 2019 the DfE published the updated information for the DSG for 2020/21.

3.2 While it remains the government's intention that a school's budget should be set on the basis of a single national formula, in 2020/21 and 2021/22, local authorities will continue to determine final funding allocations for schools through a local formula. In 2020/21 and 2021/22, the national funding formula will set notional allocations for each school, which will be aggregated and used to calculate the total schools block received by each local authority.

#### 4 Exception 1 – Where maintained schools agree that a service should be provided centrally – part of the Schools Block

4.1 The original 2020/21 figures per phase are shown in the table below. These were agreed at the October and December 2019 Forum meetings on a phase by phase basis.

Service	Primary £k	Secondary £k	Total £k
Mainstream Schools Contingency	157	143	300
Ethnic Minority Achievement Service (EMAS)	349	0	349
Free School Meals (FSM) eligibility administration	16	9	25
Insurance	283	169	452
Staff Costs (Union Duties / Jury service / Suspension)	44	40	84
<b>TOTAL</b>	<b>849</b>	<b>361</b>	<b>1,210</b>

4.2 The Insurance service have recalculated the costs for 2020/21 based on new premiums payable from September 2019, and the property portfolio, meaning that there is an increase overall costs of £39k from £452k to £491k. This is made up of an increase in the primary phase of £7k and an increase in the secondary phase of £32k.

4.3 The Suspension reimbursement to Primary & Secondary schools in 2017/18, 2018/19, and currently for 2019/20 have been overspent by £4k, £45k £10k respectively. Therefore for 2020/21 we propose to increase the £84k budget (previously agreed in October 2019) to £100k and to be split 50/50 between the Primary and Secondary phases.

4.4 The final figures for 2020/21 are shown below:

Service	Primary £k	Secondary £k	Total £k
Mainstream Schools Contingency	157	143	300
Ethnic Minority Achievement Service (EMAS)	349	0	349
Free School Meals (FSM) eligibility administration	16	9	25
Insurance	290	201	491
Staff Costs (Union Duties / Jury service / Suspension)	50	50	100
<b>TOTAL</b>	<b>862</b>	<b>403</b>	<b>1,265</b>

#### 5 Growth Fund £0.397m – part of Schools Block

5.1 As part of the new funding arrangements, the expectation of the Government is that the vast majority of the Schools Block will be delegated to schools through the local formula. However, as in 2019/20, the LA is proposing to use the Growth Fund to recognise cases where schools are taking on additional forms of entry or extending the age range of pupils. The Schools Forum approved the central retention of the growth fund in 2019/20 (£0.494m) and the LA is seeking similar agreement for the coming financial year.

5.2 The total budget provision required in the Growth Fund in 2020/21 is now estimated to be £0.397m (as detailed in Appendix 1). This now includes the proposed new forms of entry at secondary schools from September 2020 to meet the basic need

requirement of school places in the city. The growth fund will be ring-fenced so that it is only used for purposes of supporting growth in pupil numbers and will be for the benefit of both maintained schools and academies. This funding will be allocated directly to the individual schools affected.

## 6 Central School Services Block (CSSB) – previously Exceptions 2, 3, 4, Copyright Licenses and Statutory Duties

- 6.1 For these items, the DfE will allow expenditure on these lines up to the total budgeted for in 2013/14, but no new commitments or additional expenditure will be permitted unless DfE approval is granted.
- 6.2 This block contains the items previously considered under Exception 2, Exception 3, Copyright Licenses and Statutory Duties. DfE are using a national formula to calculate the CSSB, based on 90% pupil numbers and 10% deprivation, and then increased by the Greater Labour Market (GLM) Area Cost Adjustment (ACA), which is 1.00611 for Brighton & Hove.
- 6.3 There has been no change in Copyright licenses, since the December 2019 report.
- 6.4 The table below shows the total already agreed by the Schools Forum for the CSSB of £1,296k.

<b>Total 2019/20 £k</b>	<b>Service</b>	<b>Central Services Schools Block £k</b>	<b>High Needs Block £k</b>	<b>Early Years Block £k</b>	<b>Total 2020/21 £k</b>
33	Ex 2 – Combined Services – Legionella	26	6	1	33
20	Ex 2 – Miscellaneous Expenditure – Headteacher Support	17	2	1	20
321	Ex 3 – School Admissions	315	5	1	321
252	Ex 3 – Termination of employment costs	223	22	7	252
40	Ex 3 – Schools Forum	32	6	2	40
148	Exception 4 – Copyright licenses as notified by DfE	150	0	0	150
219	Other Duties – Statutory and regulatory duties	219	0	0	219
112	Other Duties – Access for Education	112	0	0	112
149	Other Duties – Asset Management	149	0	0	149
<b>1,294</b>	<b>Total Central School Services Block</b>	<b>1,243</b>	<b>41</b>	<b>12</b>	<b>1,296</b>

## 7. Overall DSG 2020/21

7.1 This table provides a summary of the 2020/21 DSG allocation we have been informed of and also the details how the LA is proposing to apply this between the funding blocks.

<b>Total 2019/20 £k</b>		<b>Schools Block £k</b>	<b>Central Services Schools Block £k</b>	<b>High Needs Block £k</b>	<b>Early Years Block £k</b>	<b>Total 2020/21 £k</b>
1,210	Schools Block – Exception One	1,265	0	0	0	1,265
494	Schools Block – Growth Fund	397	0	0	0	397
1,294	Central Services Schools Block	0	1,296	0	0	1,296
<b>2,998</b>		<b>1,662</b>	<b>1,296</b>	<b>0</b>	<b>0</b>	<b>2,958</b>
40,567	Funding available in HNB & EYB	0	0	27,976	15,686	43,662
133,791	Post de-delegation funding to schools	139,488	0	0	0	139,488
<b>177,356</b>	<b>Total Blocks (to be applied)</b>	<b>141,150</b>	<b>1,296</b>	<b>27,976</b>	<b>15,686</b>	<b>186,108</b>
<b>177,356</b>	<b>DfE Blocks (estimated)</b>	<b>139,997</b>	<b>2,449</b>	<b>27,976</b>	<b>15,686</b>	<b>186,108</b>
0	Difference	1,153	(1,153)	0	0	0
0	A. Delegation of Equal Pay, BHISS and Broadband	1,153	(1,153)	0	0	0

The changes that have been made to the presentation of the blocks (shown above) when compared to the allocations are:

A) Delegation of Equal Pay, BHISS and Broadband funding.

7.2 The overall summary of the 2020/21 DSG including the estimated adjustment for Academy recoupment is shown in the table below:

2019/20		Schools	Central Schools	High Needs	Early Years	Total DSG
<b>177.356</b>	<b>Total DSG – as above (£m)</b>	<b>141.150</b>	<b>1.296</b>	<b>27.976</b>	<b>15.686</b>	<b>186.108</b>
<b>100.00</b>	<b>Proposed split of 2020/21 DSG (%)</b>	<b>75.84</b>	<b>0.70</b>	<b>15.03</b>	<b>8.43</b>	<b>100.00</b>
	Adjustments:					
(3.990)	Academy Recoupment – BACA (£m)	(4.095)	0.000	0.000	0.000	(4.095)
(3.537)	Academy Recoupment – PACA (£m)	(4.372)	0.000	0.000	0.000	(4.372)
(1.826)	Academy Recoupment – City Academy Whitehawk (£m)	(1.902)	0.000	0.000	0.000	(1.902)
(2.663)	Free School Recoupment – Kings School (£m)	(3.126)	0.000	0.000	0.000	(3.126)
(1.732)	Free School Recoupment – Bilingual Free School (£m)	(1.982)	0.000	0.000	0.000	(1.982)
<b>(13.748)</b>	<b>Total Academy Recoupment (£m)</b>	<b>(15.477)</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>(15.477)</b>
<b>163.608</b>	<b>Updated split of 2020/21 DSG – January 20 Forum (£m)</b>	<b>125.673</b>	<b>1.296</b>	<b>27.976</b>	<b>15.686</b>	<b>170.631</b>
<b>100.00</b>	<b>Updated split of 2020/21 DSG (%)</b>	<b>73.65</b>	<b>0.76</b>	<b>16.40</b>	<b>9.19</b>	<b>100.00</b>

Academies and free schools for 2020/21 – recoupment academies are BACA, PACA, Kings School, Bilingual Free School & City Academy Whitehawk (CAW).

**Appendix 1 - New Forms of Entry 2020/21 - Proposed Use of Earmarked Growth Fund**

		Approx.	Extra	Part	Pupil	Additional	Total	
		AWPU	Pupils	Year	Funding	Revenue	Revenue	
			Sept 19		Allocation	Funding	Funding	
<b>a) New School Reorganisations - from September 2015</b>								
i) St Andrews	- proposed permanent expansion to 3 FE from Sept 2015 - net increase of 30 pupils from September 2015	£2,908	30	0.583	£50,894	£5,000	£55,894	to Sept 2021
<b>Secondary Schools growing from September 2018</b>								
Blatchington Mill	- additional form of entry from September 2018	£4,371	30	0.583	£76,490	£5,000	£81,490	to Sept 2022
Dorothy Stringer	- additional form of entry from September 2018	£4,371	30	0.583	£76,490	£5,000	£81,490	to Sept 2020 3yrs - final payment in 2020/21
Patcham High	- additional 10 pupils from September 2018	£4,371	10	0.583	£25,497	£2,500	£27,997	to Sept 2022
Varndean	- additional form of entry from September 2018	£4,371	30	0.583	£76,490	£5,000	£81,490	to Sept 2022
Kings	- additional 25 pupils from September 2018	£4,371	25	0.583	£63,742	£5,000	£68,742	to Sept 2022
			155		£369,603	£27,500	£397,103	

Capital element for furniture and equipment will be met centrally by LA and covers desks / chairs / white boards / ICT

Additional revenue funding reflects the costs for curriculum related costs - more significant where school is taking new age range for the first time

**Brighton & Hove City Council****Meeting: Schools Forum****Date: 15 January 2020****Report of: Head of Health, Adults, Families, Children and Learning Finance****Subject: Schools Block 2020/21****Wards Affected: All****1. Purpose of the report**

- 1.1 To update and consult the Schools Forum on the arrangements for the allocation of the Schools Block, particularly with regard to the application of the formula and the submission of the 2020/21 funding proforma to DfE. This paper follows the overall 2020/21 DSG report.

**2 Recommendations**

- 2.1 To note the proposed approach to the application of the formula for 2020/21 and consider the final proforma (appendix 1) that the LA will submit to the Department for Education (DfE) in line with the deadline of 21 January 2020. This provides an overall summary of the local formula for mainstream schools and academies.
- 2.2 To note the proposed changes in the unit values for deprivation and attainment as detailed in section 3.7 of the report.
- 2.3 To note the approach to determining notional SEN funding in mainstream school budgets in 2020/21.
- 2.4 To note the exemplifications of school by school budgets (appendix 2). These allocations represent the provisional formula budgets to be allocated to schools after the application of the minimum funding guarantee, and all exceptions are applied to the formula model. For 2020/21, the overall formula budget allocations to schools have increased by £5.697m compared to 2019/20 and this is due to two factors:
- National increase in Schools Block DSG allocation (c. £5.3m)
  - Increase in pupil numbers (c. £0.4m)

**3. Background and Key Changes in 2020/21**

- 3.1 The DSG is divided into four notional blocks – the schools block, the high needs block, the central school services block (which allocates funding to local authorities for their ongoing responsibilities towards both maintained schools and academies), and the early years block. Each of the four blocks of the DSG are determined by separate national funding formulae (NFF).
- 3.2 The introduction of the NFF represents a significant change. To provide stability for LAs and schools through the transition, the DfE announced in 2018 that LAs will

continue to set a local schools formula to determine individual school budgets for both 2019/20 and 2020/21.

3.3 The DfE published final Schools Block datasets and allocations for 2020/21 on 19 December 2019.

3.4 During autumn 2019 a number of proposals were made concerning the operation of the funding formula for 2020/21. These proposals were subject to consideration by the Schools Forum and Schools Block Working Group. These changes are summarised below and follow the principle of moving towards the NFF on a gradual basis:

- increase the unit values of core formula factors by 3.9% with an additional increase being applied to the low attainment factor
- include a mandatory factor to ensure that minimum funding per pupil levels (excluding premises factors) are set at £3,750 for primary schools and £5,000 for secondary schools
- increase the basic entitlement (age weighted pupil unit) factor by the balance of funding available after applying increases to other factors
- retain a lump sum of £130,000 per school
- incrementally extend the use of the ever-6 free school meals and the income deprivation affecting children index (IDACI) factors as previously agreed by Forum
- apply a minimum funding guarantee of +0.50% per pupil
- seek to maintain the current funding ratio between primary and secondary

3.5 Following the publication of the October 2019 census dataset by DfE in December 2019 it became apparent that the number of children eligible for deprivation funding had increased (particularly in the FSM category) whilst the number of children attracting low attainment funding had reduced. The impact of this (assuming the LA maintains the unit rates proposed at December Forum) will be to increase the proportion of funding being allocated through deprivation but reduce the proportion through low attainment.

3.6 It is important to note that when compared to the national funding formula (and other LAs) Brighton and Hove is already above average in terms of the proportion of funding allocated through deprivation, and below average in the low attainment category. The table below shows the relative position for the 2019/20 financial year:

Comparator	Proportion of overall funding allocated through deprivation 2019/20	Proportion of overall funding allocated through low attainment 2019/20
Brighton and Hove	9.41%	6.17%
All LAs average	8.85%	6.66%
Statistical neighbours average	8.73%	7.32%
Proposed National Funding Formula	9.00%	7.40%

Assuming we adopt the unit rates for funding proposed at the December Forum the change in data referred to in the previous paragraph will mean that the local formula moves further away from other comparators. The percentage of funding allocated through deprivation

would rise to 9.91%, while the proportion distributed through low attainment would fall to 5.91%.

- 3.7 Because of the significant divergence from the NFF this would cause in the local funding formula the LA is now proposing to amend the unit rates of funding for the deprivation and low attainment factors. This will mean reducing the unit values for deprivation and offsetting this with an increase to the unit values for low attainment. The impact of this would ensure that the balance of funding allocated through formula factors remains largely in line with the information presented at the December Forum. The proportion of funding allocated through deprivation is 9.40%, while the proportion distributed through low attainment increases to 6.42%. This represents a closer alignment to the NFF and does not change the overall level of funding being allocated.

The table below summarises the changes made to the unit rates:

Deprivation and Low Attainment Funding	Original Proposed Unit Rates		Budget Allocated	Amended Unit Rates		Budget Allocated	
	Pri	Sec		Total	Pri	Sec	Total
FSM	£1,372	£1,534	<b>£6.972m</b>	£1,303	£1,455	<b>£6.616m</b>	<b>(0.356m)</b>
FSM6	£514	£472	<b>£3.486m</b>	£487	£448	<b>£3.308m</b>	<b>(0.178m)</b>
IDACI Band F	£196	£203	<b>£0.488m</b>	£186	£192	<b>£0.463m</b>	<b>(£0.025m)</b>
IDACI Band E	£235	£276	<b>£0.470m</b>	£223	£262	<b>£0.446m</b>	<b>(£0.024m)</b>
IDACI Band D	£351	£349	<b>£0.595m</b>	£332	£332	<b>£0.564m</b>	<b>(£0.031m)</b>
IDACI Band C	£376	£386	<b>£0.560m</b>	£357	£366	<b>£0.532m</b>	<b>(£0.028m)</b>
IDACI Band B	£415	£410	<b>£1.226m</b>	£393	£390	<b>£1.163m</b>	<b>(£0.063m)</b>
IDACI Band A	£690	£501	<b>£0.147m</b>	£655	£476	<b>£0.140m</b>	<b>(£0.007m)</b>
Total Deprivation			<b>13.944m</b>			<b>13.232m</b>	<b>(£0.712m)</b>
% of Total Budget			<b>9.91%</b>			<b>9.40%</b>	
Low Attainment	£894	£1,366	<b>£8.324m</b>	£970	£1,486	<b>£9.036m</b>	<b>£0.712m</b>
% of Total Budget			<b>5.91%</b>			<b>6.42%</b>	
Total			<b>£22.268m</b>			<b>£22.268m</b>	<b>£0</b>

- 3.8 The introduction of the new mandatory factor to ensure that minimum funding per pupil (MFPP) levels (excluding premises factors) are set at £3,750 for primary schools and £5,000 for secondary schools has a significant impact on the distribution of funding to schools. Based on the proposed formula model for 2020/21 the likely implications of this are shown in the table below:

School Type	Number of schools attracting funding through MFPP factor	Funding to be allocated through MFPP factor
Primary	12	£0.738m
Secondary	1	£0.002m
Total	13	£0.740m

The introduction of this factor means that the schools who have historically received the lowest levels of funding on a per-pupil basis will receive an additional allocation within their budget share to boost their funding levels to the minimum thresholds. This will particularly apply to schools that receive relatively low amounts of funding

through the deprivation and low attainment formula factors. These schools are likely to receive higher per pupil increases than most other schools in 2020/21.

- 3.9 As a result of the changes to the formula detailed in the paragraphs above the amount of funding distributed through different formula factors is summarised in the table below and also provides a comparison to the 2019/20 financial year:

Formula Factor	2019/20 £m	2019/20 %	2020/21 £m	2020/21 %	Change £m
Basic entitlement	101.099	74.89%	<b>104.764</b>	<b>74.43%</b>	3.665
Deprivation					
- FSM eligibility	9.527	7.05%	<b>6.616</b>	<b>4.70%</b>	-2.911
- ever-6 FSM	1.588	1.18%	<b>3.308</b>	<b>2.35%</b>	1.720
- IDACI	1.588	1.18%	<b>3.308</b>	<b>2.35%</b>	1.720
Deprivation Total	12.702	9.41%	<b>13.232</b>	<b>9.40%</b>	0.530
Low attainment	8.333	6.17%	<b>9.036</b>	<b>6.42%</b>	0.704
EAL	1.243	0.92%	<b>1.278</b>	<b>0.91%</b>	0.035
Lump sum	8.060	5.97%	<b>8.060</b>	<b>5.73%</b>	0.000
Mobility	0.100	0.07%	<b>0.100</b>	<b>0.07%</b>	0.000
Premises	3.464	2.57%	<b>3.542</b>	<b>2.52%</b>	0.077
MPPF	0.000	0.00%	<b>0.741</b>	<b>0.53%</b>	0.741
Total Funding	135.001	100.00%	<b>140.753</b>	<b>100.00%</b>	5.752
De-delegation	-1.210		<b>-1.265</b>		-0.055
Funding to schools	133.791		<b>139.488</b>		5.697

- 3.10 LAs will continue to set a minimum funding guarantee in local formulae, which in 2020/21 must be between +0.50% and +1.84% per pupil. This is a change and will allow LAs to mirror the real terms protection in the NFF, which is the Government's expectation. For 2020/21, Brighton and Hove will apply the MFG at a rate of +0.50%. The rationale for adopting this approach is twofold:

- an MFG of +0.50% continues to offer a degree of protection to schools that are not otherwise gaining funding on a per pupil basis. However the LA also believes that schools, who are gaining through characteristics identified in the formula, should receive a fair proportion of their gains – a higher level of MFG will mean that the scaling back of formula gains would increase
- an MFG protection of greater than +0.50% would effectively 'lock in' more historical funding

- 3.11 The application of the formula on the basis outlined in this report means that the primary / secondary funding ratio is now 1:1.29. This is a very small change from the 2019/20 ratio of 1:1.30, and has moved due to the additional funding allocated to primary schools to achieve the requirements of the minimum funding per pupil thresholds.

- 3.12 As in previous years academies and free schools are included in the DSG allocation to ensure all schools, academies and free schools are funded on the same basis using the LA's funding formula. DfE then recoup the funding attributable to academies and free schools and pay this directly to the establishments.

- 3.13 The LA believes that the proposals set out in this paper to determine the 2020/21 funding formula represent a gradual and measured step in the transition towards the NFF.
- 3.14 It should be noted that the following areas fall outside of the Schools Block budget allocation and will be separately allocated to schools in 2020/21:
- Pupil premium
  - Teachers' pay grant
  - Teachers' pension grant

#### **4. Submission of Final Local Formula Proforma to DfE**

- 4.1 As part of the funding regulations, the LA is required to submit the funding proforma to the DfE by 21 January 2020. This proforma (appendix 1) provides an overall summary of the proposed local formula for mainstream schools and reflects the operational decisions made in consultation with Forum and the Schools Block Working Group
- 4.2 It is proposed to maintain the approach to defining notional SEN budgets for mainstream schools in 2020/21. This is determined by applying a notional SEN percentage to each of the factors within the formula (eg. 20% of deprivation funding is deemed to notionally relate to SEN). These are shown in the proforma (appendix 1). The changes in formula factors described in the earlier part of this report means that the overall notional SEN figure increases when compared to 2019/20 and equates to just under 10% of the total funding allocated to schools.
- 4.3 The funding proforma includes a summary line of the additional funding from the high needs block to support schools with disproportionately high numbers of SEN pupils. For 2020/21, the LA is proposing to continue to allocate £200k through this mechanism. This funding will be targeted at schools most adversely affected by the unequal distribution of high needs pupils, particularly where this is not recognised through formula funding factors.
- 4.4 The funding proforma will be reviewed by the DfE to ensure the proposed formula is compliant with the regulations, and that it has been constructed in a reasonable way that enables schools and academies within the area to be funded equitably. School budgets will be issued once approval has been granted.
- 4.5 The funding model (appendix 2) provides a school-by-school breakdown of the allocations summarised in the proforma. The model seeks to set out the financial position of all schools if the funding arrangements outlined are adopted and represents the final position of schools after de-delegation for items in exception 1.

**Brighton & Hove City Council**

**Meeting:** Schools Forum

**Date:** 15 January 2020

**Report of:** Head of SEN / Head of Health, Adults, Families, Children and Learning Finance

**Subject:** High Needs Block 2020/21

**Wards Affected:** All

**1. Purpose of the report**

1.1 To update the Schools Forum on funding arrangements for the High Needs Block (HNB) including the outcome of the consultation regarding new funding and the proposals for funding special schools in the 2020/21 financial year.

**2. Recommendations**

2.1 To note the Department for Education announcement concerning the 2020/21 funding arrangements for the HNB including the provision of additional funding. This equates to an increase of c. £2.65m in 2020/21 for Brighton and Hove.

2.2 To note the Local Authority’s proposals for the allocation of new HNB funding in 2020/21 and the outcome of the consultation with schools.

2.3 To note the Local Authority’s proposals for commissioning places and funding special schools in Brighton & Hove in 2020/21.

**3. Background**

3.1 The DSG is divided into four notional blocks – the schools block, the high needs block, the central school services block (which allocates funding to local authorities for their ongoing responsibilities towards both maintained schools and academies), and the early years block. Each of the four blocks of the DSG are determined by separate national funding formulae.

3.2 The diagram below sets out the basic operation of the DfE high needs funding formula:

Basic Entitlement	+	Historic spend factor	+	Proxy Indicators			+	Funding floor factor	+	Hospital education funding	+	Import / export adjustment
				Population	Disability living allowance	KS2 low attainment						
ACA weighted				Children in bad health	KS4 low attainment	IDACI						
				ACA weighted								

The table shows how the factors are added together to give the formula allocation, with an area cost adjustment (ACA) applied to the proxy indicators and basic entitlement.

- 3.3 The basic entitlement ensures that local authorities receive resources for all the pupils that they fund in their area, with £4,000 for each pupil in a special school. It provides an equivalent to the funding that mainstream schools get for all their pupils, and that colleges receive through the 16-19 national funding formula.
- 3.4 The historic spend factor is based on 50% of local authorities' previous high needs spending (2017/18 allocation). This reflects both the importance of giving local authorities stability as DfE moves towards a more formulaic method of distribution of funding, and the importance of recognising that some of the factors driving current spending will take time to change, as local authorities review and develop local offers, plan ahead and decide carefully where to spend more and where to spend less.
- 3.5 The proxy factors are designed to target funding to local authorities in proportion both to their size, as indicated by their population of 2 to 18 year olds, and to their relative level of need. The small collection of measures relating to deprivation, low attainment and health and disability the DfE are using are considered to offer an appropriate way of matching funding to the level of need in different areas.
- 3.6 For 2020/21, the Government has announced an additional sum of £780m nationally for the HNB and that every local authority will receive an increase of at least 8% through the funding floor factor per head of 2-18 population compared to the 2019/20 baseline.
- 3.7 In December 2019, the Department for Education (DfE) announced the provisional HNB allocation for the 2020/21 financial year.

This is summarised as follows:

2020/21 Actual NFF allocation excluding basic entitlement and import / export adjustments	£26.363m
Basic entitlement factor	£1.967m
Provisional 2020/21 Import/Export adjustment	(£0.258m)
Estimated deduction for direct funding of post-16 maintained places by Education & Skills Funding Agency	(£0.096m)
<b>Total Provisional 2020/21 HNB</b>	<b>£27.976m</b>

- 3.8 This settlement results in a real terms increase in allocation to Brighton and Hove of c. £2.65m compared to 2019/20. The additional allocation is recognition of the increasing costs of supporting children and young people with SEND and will help the LA manage pressures in this area, particularly in view of no transfer of funds having been made from the Schools Block in recent years. The proposals for the use of the new funding are described in section 4 below.
- 3.9 It should also be noted that from the academic year 2019 to 2020, starting in August 2019, funding for post-16 places in maintained schools (including maintained special schools) and pupil referral units (PRUs) will remain in the DSG paid to local authorities, rather than being deducted from local authorities' DSG allocations and paid as sixth form grant. There will be a full year effect of this adjustment in 2020/21.
- 3.10 An import export adjustment of £6,000 per pupil or student in the high needs national funding formula will be made. This adjustment is to reflect any changes either in the placement by a local authority of pupils and students in schools and colleges located in

other local authority areas (exports), or in the funding required by schools and colleges accepting pupils and students resident in other local authority areas (imports).

- 3.11 At this stage the HNB allocation issued by DfE is only indicative and may be subject to further adjustments to reflect updated information relating to the import/export adjustment.

#### **4. Proposals for Allocation of Increased High Needs Block Funding**

- 4.1 The Local Authority is responsible for the allocation of the HNB and the majority of funding in this block is delegated to / used to support maintained schools or paid directly to establishments for the provision of education.

- 4.2 For some time head teachers and other partners have been raising with the LA concerns about the adequacy of funding for SEND. These include mainstream schools top-up, and the challenges facing special schools, both in terms of capacity and the growing complexity of pupils needs. Receiving this additional funding allows the local authority to address some of these concerns and the growing pressures for colleagues in schools.

- 4.3 The increase in funding will also allow the LA to plan new initiatives or extend existing specialist provision. Careful consideration is being given to where this additional investment will be best used to ensure it has the greatest benefit to the most vulnerable children and young people in the city. This will potentially include areas such as hidden children, expansion of resource bases, new ASC provision and exclusion prevention.

- 4.4 The LA works in close partnership with its head teachers, governors and education partners and prior to the Christmas break consulted with schools on the proposals for the use of the additional funding.

- 4.5 A summary of the LA proposals and the views of schools is included in appendix 1. The areas which schools supported most strongly include:

- Top-up funding for mainstream schools
- Investment in the city's specialist provision
- Develop range of provision within the city, particularly in the areas of ASC and SEMH
- Develop additional alternative provision

- 4.6 Conversely there was less support for the following areas:

- Building in capacity to identify, monitor and meet the need of hidden children;
- Assessing specialist needs for Home To School Transport

However, the Hidden Children agenda is incredibly important to the local authority and the parent/ carer community. Both PaCC and Amaze (Brighton and Hove representative parent groups) have raised this issue at the SEND Partnership Board and in other forums on numerous occasions. They are very keen that the local authority have a sharp focus on Hidden Children and have a robust process in place to ensure that these children are identified, supported and monitored so they access an appropriate educational offer. Therefore, it remains a priority for the Council.

It has become apparent through the recent home to school transport issues, that there is not adequate capacity within the local authority to properly support this area of work. In particular there needs to be a focus on working more closely with schools, parents, social care and health professionals to accurately assess what is required in terms of the individual needs of children and young people who are transported to and from school. It is key that children and young people attending school arrive ready to learn and that they are not overly fatigued or anxious before they enter the classroom.

4.7 The LA will now give further consideration to the proposals and begin to implement new arrangements in 2020/21.

4.8 Further updates will be provided at subsequent Schools Forum meetings.

## **5. Commissioning Process and Funding Proposals for Special Schools in 2020/21**

5.1 As in 2019/20, all special schools will receive a base funding level of funding of £10,000 per commissioned place. In addition to this and according to national funding policy, the LA will pay a locally agreed 'top-up' to special schools if and where necessary, which will vary between provisions depending on the complexity of pupils' needs in the particular establishment. This 'top-up' will only be paid for pupils on roll and will move in real time with the pupils.

5.2 The LA gathers data and intelligence to support the annual commissioning process by:

- Looking at retrospective data and trends
- Reviewing special school and provision current numbers and numbers that will leave at the end of the academic year
- Discussion with special school head teachers
- Estimating needs for new special placements by analysing information from:
  - i. the Presens / early years service
  - ii. secondary transfer annual review information at the end of the autumn term
  - iii. other intelligence from the casework officer team and other services
- Reviewing the agency school pupil list to see where we have been unable to meet needs locally or to convince parents and tribunals that we could meet needs locally

5.3 The LA held commissioning meetings with special schools during autumn term 2019 to start to agree the place number requirements for the 2020/21 academic year.

5.4 Further discussions are required before final place numbers can be confirmed but overall demand for special places continues to increase.

5.5 The LA will also engage with mainstream schools operating specialist resource bases to agree place commissioning arrangements for the 2020/21 academic year.

5.6 As outlined above, the starting point for the calculation of special school budgets in 2020/21 will be the allocation of £10,000 per commissioned place.

5.7 The proposed top up values to be applied in 2020/21 are being reviewed and will be confirmed in due course. Consideration is being given to converting additional support

funding / bespoke funding for individual pupils to increase top-up funding levels. This 'top-up' will only be paid for pupils on roll and will move in real time with the pupils.

- 5.8 It should be noted that there continues to be an upward pressure on the place requirements in special schools. The increases in commissioned places at Downs View (Woodingdean) and Hill Park Lower (Hillside) place additional financial pressures on the HNB due to the high level of top-up funding assigned to pupils in this provision.
- 5.9 As the integrated hubs become more established it will be necessary to review the funding mechanism applied. The LA has already had initial discussions with special school heads and it is anticipated that a re-assessment and moderation process of the needs of special school pupils will take place in the summer and autumn 2020.
- 5.10 The LA is also finalising the arrangements for commissioning outreach support and other provision from special schools and intends to consider this in conjunction with services provided through the integrated learning support services.
- 5.11 For Alternative Provision in 2020/21, the Local Authority is proposing to continue to commission the following places at the Central Hub:

Pupil Referral Unit	54
The Connected Hub	34

The arrangement whereby secondary schools part fund the commissioned places at the Connected Hub will continue for 2020/21.

## Appendix 1 - High Needs Block (HNB) 2020/21 Consultation Response Summary

### Collated Responses (as at 07.01.20)

**38 responses**

It should be noted in the summarised totals below there are multiple responses from individual schools (particularly in the special school phase) and this may distort the overall headline figures.

Area of focus	Do you agree this is a priority	Categories of Response
Top up funding for both primary and secondary sector to ensure that the top up budget is sufficient to meet the increase in requests from maintained schools and academies through the EHCP process.	<b>Yes - 24</b> <b>No - 9</b> <b>High - 1</b> <b>Perhaps - 1</b> <b>N/A - 1</b> <b>Blank - 2</b>	<b>Early Years (inc Nursery Schools)</b> Blank x 2 Yes x 1 <b>Primary</b> Yes x 15 High x 1 <b>Secondary (inc 1x special unit)</b> Yes x 5 <b>Special Schools</b> No x 9 Yes x 2 Perhaps x 1 <b>College</b> N/A x 1 <b>SEN Team</b> Yes x 1
Investment in the cities specialist provision to prevent CYP with the most complex needs having to attend agency placements.	<b>Yes - 29</b> <b>No - 3</b> <b>High - 1</b> <b>Blank - 5</b>	<b>Early Years (inc Nursery Schools)</b> Blank x 2 Yes x 1 <b>Primary</b> Yes x 10 High x 1 No x 3 Blank x 2 <b>Secondary (inc 1x special unit)</b> Yes x 4

Area of focus	Do you agree this is a priority	Categories of Response
		Blank x 1 <b>Special Schools</b> Yes x 12 <b>College</b> Yes x 1 <b>SEN Team</b> Yes x 1
Develop further the range of provision within the city, in particular, there is an increasing need for more ASC specialist provision from both schools and parents. This includes additional specialist facilities across both primary and secondary for those pupils who are on the spectrum but who also have social, emotional and mental health needs and possibly some learning difficulties.	<b>Yes - 35</b> <b>No - 1</b> <b>High - 1</b> <b>Blank - 1</b>	<b>Early Years (inc Nursery Schools)</b> Yes x 2 Blank x 1 <b>Primary</b> Yes x 14 High x 1 No x 1 <b>Secondary (inc 1x special unit)</b> Yes x 5 <b>Special Schools</b> Yes x 12 <b>College</b> Yes x 1 <b>SEN Team</b> Yes x 1
Support for one form entry schools, with high levels of SEND.	<b>Yes - 13</b> <b>No - 6</b> <b>High - 1</b> <b>Perhaps - 3</b> <b>N/A - 6</b> <b>Blank - 7</b> <b>To a lesser degree - 2</b>	<b>Early Years (inc Nursery Schools)</b> Yes x 1 Blank x 2 <b>Primary</b> Yes x 9 High x 1 No x 4 Blank x 2 <b>Secondary (inc 1x special unit)</b> Yes x 1 No x 1

Area of focus	Do you agree this is a priority	Categories of Response
		Blank x 3 <b>Special Schools</b> Yes x 1 No x 1 To a lesser degree x 2 Perhaps x 3 N/A x 5 <b>College</b> N/A x 1 <b>SEN Team</b> Yes x 1
Additional EP support.	<b>Yes - 13</b> <b>No - 16</b> <b>Medium - 1</b> <b>Varied - 1</b> <b>Blank - 7</b>	<b>Early Years (inc Nursery Schools)</b> No x 1 Blank x 2 <b>Primary</b> Yes x 9 Medium x 1 No x 3 Blank x 3 <b>Secondary (inc 1x special unit)</b> Yes x 2 No x 1 Blank x 2 <b>Special Schools</b> Yes x 1 No x 11 <b>College</b> Yes x 1 <b>SEN Team</b> Varied x 1
Assessing specialist needs for Home To School Transport.	<b>Yes - 5</b> <b>No - 22</b> <b>N/A - 3</b>	<b>Early Years (inc Nursery Schools)</b> Yes x 1 Blank x 2

Area of focus	Do you agree this is a priority	Categories of Response
	<b>Blank - 6</b> <b>Maybe - 1</b> <b>Low - 1</b>	<b>Primary</b> Yes x 3 No x 7 Blank x 3 N/A x 1 Low x 1 Maybe x 1 <b>Secondary (inc 1x special unit)</b> Yes x 1 No x 3 Blank x 1 <b>Special Schools</b> No x 12 <b>College</b> N/A x 1 <b>SEN Team</b> N/A
Capacity to identify, monitor and meet the need of hidden children.	<b>Yes - 7</b> <b>No - 15</b> <b>High - 1</b> <b>Maybe - 1</b> <b>N/A - 1</b> <b>Blank - 11</b> <b>Possibly - 1</b> <b>Unsure - 1</b>	<b>Early Years (inc Nursery Schools)</b> Yes x 1 Blank x 2 <b>Primary</b> Yes x 3 High x 1 No x 4 Blank x 5 Unsure x 1 Maybe x 1 N/A x 1 <b>Secondary (inc 1x special unit)</b> Yes x 2 Blank x 3 <b>Special Schools</b>

Area of focus	Do you agree this is a priority	Categories of Response
		Possibly x 1 No x 11 <b>College</b> Yes x 1 <b>SEN Team</b> Blank x 1
Providing resource to schools early to prevent exclusion and meet the needs of those children with SEMH.	<b>Yes - 32</b> <b>No - 2</b> <b>High - 1</b> <b>Blank – 3</b>	<b>Early Years (inc Nursery Schools)</b> Yes x 2 Blank x 1 <b>Primary</b> Yes x 11 High x 1 No x 2 Blank x 2 <b>Secondary (inc 1x special unit)</b> Yes x 5 <b>Special Schools</b> Yes x 12 <b>College</b> Yes x 1 <b>SEN Team</b> Yes x 1
Development of additional alternative provision.	<b>Yes - 22</b> <b>No - 4</b> <b>High - 1</b> <b>Blank - 4</b> <b>Some - 7</b>	<b>Early Years (inc Nursery Schools)</b> Yes x 1 Blank x 2 <b>Primary</b> Yes x 11 High x 1 No x 3 Blank x 1 <b>Secondary (inc 1x special unit)</b> Yes x 5 <b>Special Schools</b>

Area of focus	Do you agree this is a priority	Categories of Response
		Yes x 3 No x 1 Blank x 1 Some x 7 <b>College</b> Yes x 1 <b>SEN Team</b> Yes x 1
Other areas.  Support inclusion / additional support funding for early years children with additional needs	<b>Yes - 10</b> <b>No - 1</b> <b>(although lots of comments without a Y/N answer)</b>	<b>Yes</b> Early Years (inc Nursery Schools) x 1 Secondary x 1 Special Schools x 7 SEN Team x 1 <b>No</b> Primary x 1

**Brighton & Hove City Council****Meeting: Schools' Forum****Date: 15 January 2020****Report of: Vicky Jenkins, Childcare Strategy Manager, Free Entitlement  
Andy Moore, Principal Accountant, Health, Adults, Families, Children  
and Learning Finance****Subject: 2020/21 Early Years Block of the DSG: Funding for Early Years Free  
Entitlement Places for Two, Three and Four Year Olds****Wards Affected: All****1. Purpose of the report**

- 1.1 To inform and the Schools' Forum of the timetable for agreeing funding arrangements for early years free entitlement (EYFE) places for two, three and four year olds for 2020/21.

**2. Recommendations**

- 2.1 To note the timetable for agreeing funding arrangements for the early years free entitlement (EYFE) places for two, three and four year olds for 2020/21, agreeing a short extension to the deadline.

**3. DSG – Early Years Block – Free Entitlement**

- 3.1 According to statutory guidance local authorities are required to consult early years providers about any changes to their formula for distributing the early years block.
- 3.2 The DfE has announced an increase of 8p per hour for early years free entitlements for 2020/21 for all local authorities. This brings Brighton & Hove's rates to £4.53 for three and four year olds and £5.28 for two year olds, which will be passed on to providers while retaining no more than 5% of the EYB for central spend.
- 3.3 A change to the formula is being considered for this year, which increases the base rate for all providers and also increases funding for disadvantaged children living in the 0 to 10% (in the region of £1.10 per hour) and 11 to 20% (in the region of £.70 per hour) IDACI most disadvantaged areas. This proposal needs to be put to early years providers prior to being finalised.
- 3.4 It was not possible to complete consultation with early years providers in time for this January schools' forum meeting. This is because the changes to the EYB formula are in part dependent on the results of changes to high needs block spend, and the results of consultation with schools on this were not available until late December.
- 3.5 Therefore the proposal for EYB formula will be brought to the March schools' forum meeting. This means that the deadline of 31<sup>st</sup> March 2020 for letting early years providers know about their budgets for 2020/21 will be met. However the requirement to consult schools' forums on changes to local early years funding formulas, including agreeing central spend by 28 February will be delayed by 2.5 weeks.

## **Brighton & Hove City Council**

**Meeting:** Schools' Forum

**Date:** Wednesday 15 January 2020

**Report of:** Schools' Traded Services Manager

**Subject:** Services to Schools 2020/21

### **1. Purpose of the report**

- 1.1. To provide the final position on the council's traded services to schools provision for 2020/21, including an outline of the proposed charging approach and details of any new services and provision.
- 1.2. To outline key developments, activities and feedback from the past year in relation to traded services.

### **2. Recommendations**

- 2.1. To note and comment on the proposed approach for the council's services to schools provision for 2020/21.

### **3. Background and information**

- 3.1. In recent years the council has sought to minimise the price uplift, provide more clarity on the pricing mechanism used to calculate charges and also the benefits of each service.
- 3.2. In recent years the intention has been for services to absorb inflationary costs as much as possible and to limit the amount that is passed on to schools. However, it has previously been acknowledged that price rises have been required when external charges such as teacher pay, licence costs and fuel costs have risen.
- 3.3. Two new SLAs were introduced in 2019/20:
  - 3.3.1. The Safeguarding Training (Single Agency) Service achieved full buyback from schools, enabling headteachers and designated safeguarding leads to attend the relevant courses when required, for one single charge per year. An overhaul of the training has been made for 2020/21, with separate courses for designated safeguarding leads and headteachers, to acknowledge the different roles.
  - 3.3.2. Brighton & Hove Inclusion Support Service (BHISS) started trading in September 2019 and achieved 98% buyback from primary and

secondary schools. For 2020/21, schools have received details of their individual charges for the full year, taking into account their requirements. Charges are similar to 2019/20, with the daily charge no longer dependent on amount of days purchased as this had disadvantaged the smaller schools.

#### **4. Proposal for charges for Services to Schools 2020/21**

4.1. All charging models are based on cost recovery only with no profit. Any uplifts are to cover increased costs (see 3.3).

4.2. The following services are making no uplifts:

- Caretaking & Site Management
- Equality & Anti-Bullying
- GDPR & Information Governance
- Health & Safety
- Local Authority Strategic Property Function ( CERA)
- Newly Qualified Teachers' Induction
- Occupational Health
- Outdoor Education & PE Support
- PSHE
- Safeguarding Training (Single Agency)
- School Data
- School Meals

4.3. The following services are making changes to their charges:

- BHISS: 2.5% uplift for most parts of the service and simplified charging model (see 3.4.2 above); Literacy Support – uplift tbc
- Courier: 8% uplift to bring in line with other customers (schools have been charged less in recent years) – equates to £18 increase per year for schools that have weekly deliveries/collections
- Energy & Water Management: reduction due to removal of third party Automated Meter Reading charges, plus a reduction in management charges and service support charges due to reduced usage
- Ethnic Minority Achievement Service: 3% uplift
- Finance: 2% uplift
- Human Resources Advisory & Guidance: 1% uplift
- Human Resources Admin & Payroll: 3% uplift
- ICT Schools & Traded Services: 1.9% uplift on most parts of the service
- Legal: approx 2.5% uplift
- Long Term Sickness / Maternity, Adoption & Paternity Scheme: charge increased due to cost of additional claims in previous and current year

4.4. SLAs and charges will be published by the end of January so that schools can make informed decisions about buyback when budget planning for 2020/21. Service leads will have the usual discussions with schools throughout the buyback period up to 1 April 2020.

## 5. New services and developments

5.1. Following feedback from schools during 2019/20, the Education, Standards and Achievement Service is proposing to split its support into two Service Level Agreements in 2020/21, as it is recognised that schools want more flexibility into what they buy and do not buy. Schools will now be able to choose the level of support according to their exact requirements, based on a daily charge. Furthermore, the statutory offer from the LA has been clarified with consistency in offer between secondary and primary.

The SLA provision will be split into two areas:

5.1.1. The Headteacher Appraisal External Adviser Service will enable governing bodies to receive the appropriate external advice to fulfil their statutory duty in carrying out the headteacher's annual appraisal (one day of support)

5.1.2. The School Partnership Adviser (SPA) Service will provide schools with bespoke school improvement support from SPAs (schools can choose between one and three days per year)

5.2. ICT Schools and Traded Services are introducing a new service for 2020/21: 'Online Safety Monitoring Services' will enable schools to meet the appropriate monitoring element within 'Keeping Children Safe in Education'. Software is installed that monitors and captures all potentially harmful digital content, activity or behaviour, alerting the Designated Safeguarding Lead appropriately.

5.3. Following feedback from headteachers at Schools' Forum, the SLAs for 2020/21 will outline in more detail the statutory and core elements for each service. These aspects of the services are provided at no cost to schools.

5.4. The BEEM portal for schools, which hosts the SLAs and enables business managers to purchase the services, is being further developed for 2020/21. The 'Services' area <http://www.beem.org.uk/Services> will act as a 'one stop shop' that lists all traded and non-traded local authority services that are available to schools.