



Northumberland County Council

Wellbeing and Community Health Services Group
Education and Skills Service

Agenda Item 8

SCHOOLS' FORUM

03 July 2019

DSG Provisional Outturn 2018-19

1. Purpose of the Report

This report provides details of the Dedicated Schools Grant (DSG) outturn position for 2018/19 to School Forum members, together with the implications of the outturn highlighted by significant cost pressures within the budget

2. Recommendations

Schools Forum is asked to:

- a) Approve that the overspend on the DSG for 2018/19 will have the first call on the DSG settlement for 2019/20;
- b) Approve the carry forward of the 2018/19 Trade Union Facility surplus of £24,469 in line with the report attached at Appendix A
- c) Note the ongoing monitoring of High Needs funding.

3. Background

At the Schools Forum meeting in January 201 the budgets for each block within the DSG were set, with details for the Early Years & the High Needs blocks being agreed at the meeting in February 2017, figures as below:

| 2018/19 DSG | 2018/19 Allocations | Transfer to High Needs | TOTAL (before de-delegation) |
|--------------------------------|---------------------|------------------------|------------------------------|
| | £ | £ | £ |
| Schools Block | 179,924,687 | - 1,799,161 | 178,125,526 |
| High Needs Block | 29,109,134 | 1,799,161 | 30,908,295 |
| Early Years Block | 16,560,604 | - | 16,560,604 |
| Central Schools Services Block | 3,163,024 | - | 3,163,024 |
| Total | 228,757,449 | - | 228,757,449 |

4. Outturn Position 2018/19

- 4.1 The latest monitoring report provided to Schools Forum was in February 2019, the forecast overspends at that point and the final year end position is shown in the table below:

| | Feb 2019 (£m) | 2018/19 outturn (£m) | Change (£m) |
|-------------------|------------------------|--------------------------|---------------------------|
| Schools Block | 0.306m underspend | 0.311m underspend | 0.005m improvement |
| DSG Grant | 0.037m underspend | 0.037m underspend | - |
| High Needs Block | 1.952m overspend | 2.040m overspend | 0.088m inc overspend |
| Early Years Block | 0.098m overspend | 0.347m underspend | 0.445m improvement |
| Central Services | 0.108m underspend | 0.109m underspend | 0.001m improvement |
| OVERALL | 1.599 overspend | 1.236m overspend | 0.363m improvement |

4.2 Schools Block

The £311k underspend on the schools block is due to:

- A contingency Fund of £475k was created to fund the closing deficit budget across the schools that have closed during 2018-19 (Netherton Northside First School, Acklington First School and Belford St Mary's Middle School). This budget has underspend by £275k in 2018/19, though there is still the potential for further costs to arise in relation to those schools.
- There are other smaller underspends in relation to de-delegated funding on Free School Meals (£6k) and EAL (£7k) contributing to the underspend, The Trade Union Facility Time balance is subject of a separate request to carry this forward.

4.3 High Needs Block

The High Needs block overspent by £2.040 million in 2018/19, as a result of

- Alternative provision for excluded pupils is now overspent by £305k, this is reduced from a previous forecast of £670k, as the rate of new exclusions reduced from the position highlighted in September 2018. Pressures still remain in relation to longer term exclusions.
- An overspend of £907k on Independent Special Schools. This is following an increase in placements by 28 over the last year. There are currently 179 placements being supported, up from 172 in September 2018.
- SEN top-ups are currently predicted to overspend by around £1,123k. This is heavily influenced by the increase in the number of children and young people with Education Health and Care Plan and these numbers continue to rise, though not at the same extent as in 2017/18, where we saw a 13.6% increase over 12 months, compared to a 11% increase nationally. The latest local figure is 2,171, up 6.7% from the figure of 2034 reported to November 2018's School Forum.

The corresponding budget was overspent by £2.749m overspend in 2017/18, with an overall brought forward deficit of £2.062 million after other balances were offset.

There has therefore been an overall reduction of £0.826 million in the deficit to be carried forward compared to the previous year, though it must be remembered this included the £1.799 million transferred from the Schools Block to the High Needs Block. 2019/20 will also see pressures arising from the additional number of special school places at The Dales and Collingwood driven by parental and mainstream school requests

4.4 Early Years Block

Early Years underspending of £0.346m arises from the year end reconciliation of estimated compared to actual numbers and staffing underspending.

5 Summary and Conclusions

There remain significant challenges in relation to the management of the Dedicated Schools Grant (DSG), particularly pressures around High Needs. The Government has also announced greater scrutiny for those authorities whose deficit balance is greater than 1% of the total DSG, they will be required to complete a recovery plan. For comparative purposes Northumberland's carry forward deficit figure of £1.236 million is currently 0.54% of the total DSG but this will continue to be closely monitored.

HR Directorate
SCHOOLS FORUM

03 July 2019

Trade Union Facility Time

1. PURPOSE OF THE REPORT

To seek approval from Schools Forum to carry forward the budget surplus from 2018/19 to 2019/20.

2. RECOMMENDATIONS

Schools Forum members are recommended to read the report prior to the meeting and table any questions, preferably on advance or at the meeting. Schools Forum members are requested to support the proposal to carry forward the budget surplus of £24,469.

3. BACKGROUND

Schools Forum has previously agreed that the money for Trade Union Facility Time budget should be de - delegated from First, Primary, Middle, High and Secondary Schools, and this means that these schools benefit from the services of county-wide Trades Union elected representatives. The budget is not de-delegated from maintained Special Schools or Academies.

The Facility Time SLA is designed to assist maintained Special Schools by protecting them against the possibility that one of their members of staff could be elected as a County Secretary of their Trades Union or Professional Association. Under such circumstances, the school would be obligated to release the member of staff to work in any school across the County and to pay the associated supply costs to replace them. Participating in the SLA would mean that the Council would meet those supply costs instead. Whereas none of the County Secretaries are currently employed in a Special School, this could potentially happen if one of their members of staff were to put themselves forward for the position, so in essence this SLA is an insurance policy against the potentially very significant costs that might be incurred in such an eventuality. Special Schools should also be aware that County representatives of a Trades Union or Professional Association will only be able to represent their members at e.g. a disciplinary or ill-health meeting if the school in which the member works has contributed to this SLA.

The Facility Time SLA is designed to assist Academies in a different way. As a separate employer, each Academy could be required to release for Facility Time a representative of each of the Trades Unions or Professional Associations to undertake Trades Union duties within their own Academy. Given the number of Trades Unions and Associations which are represented within the school workforce, this could cost a significant amount of money. Participation in the SLA allows the Academy to utilise the services of the elected County Secretaries of each Trades Union or Professional Association instead of their own elected representatives. In addition, for those Academies which participate in the SLA, the Council is prepared to pay the Academy for an agreed level of Supply Cover if one of their members of staff is elected as the County Secretary for that Trades Union or Professional Association and the Academy allows them to undertake that work not just within their Academy but for all the schools within the County.

4. Current Position

The budget for Facility Time is managed by the HR Service working in conjunction with trades union colleagues. Income is generated by encouraging academies to sign up and this has been moderately successful. However, based upon the known schools that may academise between now and the Autumn term, and within the Autumn term, there may be a further reduction in the de-delegated budget.

Under these circumstances, it would be supportive if the Schools Forum could agree the budget surplus of £24,469 to be carried forward to 2019/20.

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