



Wellbeing and Community Health Services Group
Education and Skills Service

Agenda Item 7

SCHOOLS' FORUM

07 July 2021

Dedicated Schools Grant (DSG) Outturn 2020-21

1. Purpose of the Report

This report provides details of the Dedicated Schools Grant (DSG) outturn position for 2020/21 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 2020/21 will have the first call on the DSG settlement for 2021/22;
- b) Approve the carry forward of the 2020/21 Trade Union Facility surplus of £47,840 in line with the request attached at Appendix A
- c) Approve the carry forward of the 2020/21 English as an Additional Language (EAL) surplus of £16,601 in line with the report attached at Appendix A
- d) Note the intention to carry forward all of the respective DSG blocks (Central Services Schools) Early Years, High Needs and Schools Block) on a ring fenced basis into 2021/22.

3. Background

At the Schools Forum meeting in January 2020 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 2020, figures as below:

2020/21 DSG	Base 2020/21 Allocations	Transfer to High Needs	Recoupment	Total (after recoupment)
	£m	£m	£m	£m
Central Schools Block	2.733			2.733
Early Years Block	17.295			17.295
High Needs Block	36.027	0.934	(2.576)	34.385
Schools Block	187.109	(0.934)	(100.681)	85.494
Total	243.164		(103.257)	139.907

The overall DSG allocation for Northumberland is revised several times during the year following the conversion of maintained schools to academies, the Early Years census and amendments to SEN places. The final grant allocation is reflected in the next section.

4. Outturn Position 2020/21

- 4.1** The final position for the 2020/21 financial year was an underspend of £0.898 million, with underspends across all blocks except for the High Needs block. The main variances are discussed below with a full breakdown at Appendix B.

	Final Budget (after recoupement) (£m)	2020/21 expenditure (£m)	Over/(Under)sPEND(£m)
Central Schools block	2.733	2.509	(0.224)
Early Years block	17.048	16.622	(0.426)
High Needs block	33.927	34.111	0.184
Schools block	83.354	82.922	(0.432)
Overall	137.062	136.164	(0.898)

(Note: an overspend is shown as a positive figure and an underspend a negative figure)

4.2 Central Schools Block

The underspend of £0.224 million was a result of:

- An underspend of £0.183 million on Statutory retained duties, as the DSG contribution towards the Senior Management and School Organisation team was partially replaced by Contain Management Outbreak Funding for 2020-21. This grant was available to the council to limit the spread of Covid-19 and reflects the measures undertaken to support Northumberland Schools during this time.
- An underspend of £0.060 million on the budget which contributes towards the legal and professional costs associated with academy conversions and school re-organisations. The demands on this budget will vary from year to year depending on the activity in this area.
- An overspend of £0.030 million on the cost of Independent School provision for 5 Looked after Children without an EHCP. While the costs are arising due to the associated education costs of the placements, the placements are required to meet the social care needs of the child, often when there is no suitable accommodation within the county.

4.3 Early Years Block

The underspend of £0.426 million was largely due to:

- An underspend on the 2/3/4 year old nursery provision of £0.342 million. The DfE have confirmed that the final 2020-21 grant allocation will not be confirmed until November 2021 when we will receive a retrospective adjustment based upon a combination of January 2020 and January 2021 census headcount.
- An underspend on the Early Years Disability Access Fund (DAF) of £0.120 million. The allocation for this funding is based upon data from DWP around eligible 3 and 4 year olds in receipt of Disability Living Allowance (DLA) and not all eligible children have claimed their grant. This funding will be ringfenced and used to develop to the take-up of this funding in future.

4.4 High Needs Block

The overspend of £0.184 million was largely due to:

- An overspend in the Inclusion Service on alternative provision for excluded pupils of £0.148 million. At the year-end there were 100 placements, which was a significant reduction compared to the previous year when there were 186 placements. This is due to a combination of around 65 long term exclusions pupils leaving their provision at the end of year 11 in July 2020 and a reduced intake across the year due to partial school closures. Pressures remain in relation to the shortage in suitable provision and demand is expected to grow in 2021-22. This is likely due to the disruption caused by Covid and subsequent potential issues about students returning to the classroom following this.
- An overspend of £0.708 million on Independent Special Schools and Colleges and top-up funding. This is following an increase in placements by 22 over the last year. There are currently 236 placements being supported, up from 214 in 2020/21, though it should be remembered that individual students' packages can differ significantly in terms of costs depending on the level of support required. The number of Education Health and Care Plans (EHCPs) has increased also increased by 10% during 2020-21, from 2174 to 2392, in line with national figures. EHCPs remain a major influence on SEN costs and pressures.
- An underspend of £0.424 million across SEN Support services, which is partially because of the impact of Covid-19 on expenditure and income. The combination of staff working virtually and from home has led to reduced travel and running costs across the teams and there have also been delays in recruiting to vacancies. There was additional income from Teachers Pension grant to support centrally funded teaching staff and a contribution from the Contain Outbreak Management Fund that was not previously anticipated.
- An underspend of £0.148 million across Virtual School Services. Much of the underspend is on the Education Other than at School service (EOTAS) where the running cost of the team along with pupil and staff transport costs all came in under budget and this can all be linked to the impact of Covid-19 on the cost of delivering the service.

The High Needs block budget was overspent by £1.237 million in 2019-20, with an overall brought forward deficit of £0.691 million after other balances were offset from the other blocks. With a final year end position of £0.184 million at the end of 2020-21, this demonstrates that the deficit has decreased during the year by £0.507 million, though it must be remembered that this included the £0.934 million transferred from the Schools Block to the High Needs Block. Without this funding, the High Needs block overspend would have increased by £0.427 million to £1.118 million overspend.

Schools Block

The Schools block underspent by £0.432 million due to:

- An underspend of £0.048 million on the Trade Union Facility Time balance is subject of a separate request to carry this forward, attached at Appendix A. The increased balance arose as the service received some backdated SLA income relating to the previous financial year.
- An underspend on the growth fund of £0.113 million that was created for 2020-21 to fund additional places at those schools that transitioned from Middle to Primary Schools for September 2020. Based upon pupil numbers this has not been required this year.
- The Council has also received a further £0.072 million relating to 2019-20 from the Wise Academy Trust for recovery of pupil funding relating to the closure of Haltwhistle Upper school.

- The closure of West Woodburn on 31 August 2020 has led to an underspend of £0.158 million as the school was allocated full year budget, but only incurred costs for 5 months and during that time expenditure was far less than expected.
- An underspend on the EAL service of £0.016 million as a result of the impact on Covid-19 on the running costs of the service, this is subject of a separate request to carry this forward at Appendix A.

5 Summary and Conclusions

There is now an overall surplus of £0.898 million at the end of 2020-21 compared to an overall deficit of £0.607 at the end of 2019-20. This is a change of £1.505 million compared to the previous year and is a result of underspends across the Central Schools Block, Schools Block and the Early Years Block. Whilst the High Needs Block has further reduced the deficit from the previous year, it is noted that this was only possible due to the funding transferred from the Schools Block to support the services. It again needs to be re-emphasised that 2020/21 represented an exceptional year due to Covid-19 with staff being redeployed from their usual duties to support schools and the wider community with their response to Covid.

There has also been a significant impact on expenditure across many services due to the impact of Covid-19. This has resulted in reduced travel and running costs of the services as they have worked virtually with schools and from home for most of the year.

Additional financial support has been given to 115 schools and academies which have faced exceptional expenditure pressures as a result of the pandemic. The County Council Covid-19 funding was available to support those schools that were able to satisfy a number of conditions to qualify for the funding and were unable to claim the expenditure from alternative funding sources. Two separate claim programmes were in operation with £342,536 for staffing expenditure and £349,841 in relation to non-staff claims.

It is the intention to ring-fence the year end position on each block this year to ensure that funds carried forward can be utilised effectively and to provide services with additional resource to meet the emerging priorities within the specific areas of the Dedicated School Grant.

Appendix A**SCHOOLS FORUM****07 July 2021****English as an Additional Language Service****1. PURPOSE OF THE REPORT**

To seek approval from Schools Forum for the EAL team to carry forward the budget balance from 2020/21 to 2021/22.

2. RECOMMENDATIONS

Schools Forum members are requested to support the proposal to carry forward the budget surplus of £16,601.

3. BACKGROUND

This is the first request to Schools Forum for carry over and this is primarily due to exceptional circumstances linked to the COVID Pandemic; the continuing decrease in de-delegated funding as schools academise, the small size of the service and increased demand for support.

The service is partially funded by de-delegated funds and the remainder of the budget comes from the Vulnerable Persons Resettlement Scheme (VPRS).

During the pandemic the service set up the Education Helpline to support VPRS parents and pupils initially with home schooling, but this extended into other areas. The Helpline was facilitated by providing an Arabic language service. We liaised with the Families' Support Worker Team to advertise the Helpline. Through this initiative we have supported pupils and parents with online learning, accessing learning materials, post 16 education placements and IT equipment. We created information for parents and additional resources where links could be found to support learning in the pupils' first language. The helpline was also accessed by asylum seeker families.

We would like to continue to provide the helpline this service and would be able to facilitate this if the current team were re-aligned, with one of the VPRS teachers working an additional day to release the Arabic speaking TA to continue supporting the helpline. This will be possible if the carryover is agreed.

The service also requires an update to books and materials to support both pupils and school staff, this includes the Immersive Reader Tool on Microsoft 365. This tool enables shared reading between pupil and teacher on a shared screen. Immersive Reader also offers translation of texts into other languages and is more reliable than Google Translate. This could also be facilitated if the underspend could be carried forward.

4. CURRENT POSITION

The budget for the EAL team is managed by the Low Incidence Needs Team Service Manager working in conjunction with the Head of Service. Income generated by SLAs has been minimal and demand for support is increasing. In addition, further academisation in 2020/21 has resulted in a continuing reduction to the de-delegated budget simultaneously with an increasing demand from schools for the teams' support to assist them with pupils from both VPRS and asylum seeker families.

For these reasons, the request is made to Schools Forum to consider that the balance of £16,601 to be carried forward to 2021/22 for the use of the EAL team.

Allison Cox, Low Incidence Needs Team Service Manager
Allison.cox@northumberland.gov.uk

SCHOOLS FORUM

07 July 2021

Trade Union Facility Time

1. PURPOSE OF THE REPORT

To seek approval from Schools Forum to carry forward the budget balance from 2020/21 to 2021/22.

2. RECOMMENDATIONS

Schools Forum members are requested to support the proposal to carry forward the budget surplus of £47,840 as at the 31 March 2021. This figure is broadly comparable to the figure of £46,738 agreed as at 31 March 2020.

3. BACKGROUND

Schools Forum has previously agreed that the money for Trade Union Facility Time (TUFT) arrangement for the de-delegated budget element only relating to maintained Schools from one operational year to another. The TUFT is underpinned by an SLA, operates on an academic year from September to August and receives funds via different sources:

- a) de-delegated decision via Schools Forum for maintained schools – funds allocation on an April to March basis, therefore providing funding into the SLA in arrears/advance;
- b) a direct payment/ journal-transfer from maintained special schools including the PRU – funds allocated on an April to March basis, therefore providing funding into the SLA in arrears/advance, and
- c) direct payment made from academies/free schools (e.g. none DSG maintained schools) – funds paid on a September to August basis, providing funding the SLA for the full-year of its operation.

4. CURRENT POSITION

The TUFT SLA is self-funding, meaning it can only spend/allocate the funds allocated; if it was found that there were not sufficient funds available to fund current/ proposed arrangements the TU/PA TUFT time allocated would need to be reviewed to ensure that the funds/arrangements were aligned.

Annually Schools Forum review the 'buy-in' rate and determine if this needs to stay at the current fixed price per pupil (@ 1st April 2021 this was set/remained at £3.25 per pupil) or if this needs to be reviewed/ revised, e.g. due to base-line salaries/ employers costs (including pensions) increasing, more schools joining / leaving the SLA, TU/PA's asking for more time to be allocated

The SLA has been held for some time, however, arrangements for respective TU/PA's are changing, the aim is to hold the de-delegated rate at £3.25 per pupil for 2022/23 (effective from 1st April 22) however, a further report on use/spending for the 21/22 SLA including and future predictions, will be provided to Schools Forum in the future.

Christina Ponting
Schools HR Lead
Human Resources and Organisational Development Directorate

email: christina.ponting@northumberland.gov.uk

Appendix B

Final budget position for the Dedicated Schools Grant for 2020-21

	Final Budget 2021 (£m)	Expenditure 2020/21 (£m)	Over/(Under) spend (£m)
Central Schools block	2.733	2.509	(0.224)
Administration costs of Academy conversions	0.069	0.009	(0.060)
Statutory retained duties	2.419	2.279	(0.140)
Admissions and Supply of School places	0.238	0.215	(0.023)
Schools forum	0.007	0.006	(0.001)
Early Years block	17.048	16.622	(0.426)
Early Years Team	0.718	0.759	0.041
2/3/4 Nursery provision	16.035	15.693	(0.342)
Disabled Access Funding	0.138	0.018	(0.120)
Early Years Pupil Premium	0.157	0.152	(0.005)
High Needs block	33.927	34.111	0.184
Special School Places	8.209	8.209	0.000
Inclusion Service	1.710	1.858	0.148
Independent Special Schools and top-up funding	17.283	17.991	0.708
Virtual School Services	1.413	1.264	(0.149)
SEN Support Services	2.876	2.452	(0.424)
SEN transport (fixed contribution)	1.147	1.147	0.000
SEN Other	1.289	1.190	(0.099)
Schools block	83.354	82.922	(0.432)
Mainstream Schools	82.318	82.318	0.000
Union Supply	0.106	0.058	(0.048)
Free School Meals	0.018	(0.012)	(0.030)
EAL	0.036	0.020	(0.016)
Behaviour Support	0.297	0.311	0.014
Growth Fund	0.113	0.000	(0.113)
Contingency and other school block income	0.466	0.225	(0.239)
Overall	137.062	136.164	(0.898)