

# ANNEX C

## HERTFORDSHIRE COUNTY COUNCIL SCHOOLS FORUM

29<sup>th</sup> November 2017

### Agenda Item

## 5

### APPROVAL OF CENTRALLY-RETAINED BUDGETS FOR SCHOOLS AND CENTRAL SCHOOL SERVICES BLOCK 2018-19

#### Report of the Director of Children's Services

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#### **1. Purpose**

- 1.1 To seek the approval of the Forum for the holding of a number of central budgets in the schools block in 2018-19

#### **2. Summary**

- 2.1 The Forum is asked:

- i) To agree for 2018-19 the central budgets listed in Table 1 in section 4;
- ii) To note the proposed transition of the central budgets identified in Section 5

#### **3. Background**

- 3.1 Non High Needs central budgets have to be agreed annually by the Schools Forum

- 3.2 For 2017/18 the Forum agreed a number of central budgets in the schools block and these fell under the following headings:

- a) Admissions and Appeals
- b) Servicing of Schools Forums
- c) Combined Services
- d) Payment of fees for pupils without SEN in Independent Schools
- e) Growth Fund for additional places and infant class size protection funding
- f) Falling Rolls Fund (Fund for small secondary schools in areas of demographic growth)

g) Licenses arranged nationally by the DfE

3.3 The DfE is introducing the central school services block (CSSB) in 2018/2019 as a new category within the Schools Budget. The CSSB budgets include:

- funding historically allocated through the retained duties element of the Education Services Grant (ESG)
- funding for ongoing central functions, such as admissions, previously top-sliced from the schools block
- historical commitments (such as combined services)

3.4 It is intended that some historical commitments are transitioned prior to the introduction of the CSSB with ongoing commitments continuing as centrally retained budgets. However, Family Support Workers will remain a centrally retained item in the CSSB.

3.5 The Schools Block includes both the Growth Fund and the Falling Rolls Fund as centrally retained budgets.

3.6 The CSSB block allocates less resource than Hertfordshire's current spend. It is therefore necessary to make an overall saving on central budgets, in order to better align spend to the DSG allocation. It is not possible to amend the charge for DfE arranged licences as this is pre-determined by the DfE, but it is proposed to make savings in some other budgets as set out in Table 1 in Section 4 below.

## 1. Central Budgets Requested for Approval

1.1 Table 1 below summarises the 2018/19 budgets that the Forum is asked to agree for the Schools Block. For comparison the 2017/18 budget figures for these items are also shown.

**Table 1: School Block Centrally Retained Budgets**

		2018-19 Budget Requested	2017-18 Budget	Change
		£000	£000	
<b>CSSB Ongoing Functions</b>				
1)Admissions and Appeals		2,057	2,057	0
2)Servicing of Schools Forum		30	40	-10
3)Boarding Pathfinder		12	52	-40
4)DfE arranged Licenses		919	894	+25
5) Former ESG retained duties		2,798	2,798	0
	<b>SUB-TOTAL</b>	<b>5,816</b>	<b>5,841</b>	<b>-25</b>
<b>CSSB Historical Commitments</b>				
6) Combined Services: School Family Support Workers		891	891	0
	<b>SUB-TOTAL</b>	<b>891</b>	<b>891</b>	<b>0</b>
<b>Schools Block Items</b>				
7)Growth Fund	-Additional Places	4,550	4,550	0
	-Infant Class Size Protection	521	521	0
8)Falling Rolls Fund		2,012	2,012	0
	<b>SUB-TOTAL</b>	<b>7,083</b>	<b>7,083</b>	<b>0</b>
	<b>GRAND TOTAL</b>	<b>13,790</b>	<b>13,815</b>	<b>-25</b>

- 4.5 Clearly the CSSB allocation and proposed budgets are not yet aligned. Any difference will need to be met from the carry-forward.
- 4.6 The regulations require that the budget for item 6 in 2018/19 cannot exceed the equivalent budget in 2017/18. Inflation and other pressures therefore have to be absorbed within the cash limited total.

The remainder of this section gives further details about the central budgets requested for approval.

4.7 **Admissions and Appeals** – Proposed Budget £2.057m

It is proposed to continue with the admissions and appeals budget as is in 2017/18.

4.8 **Servicing of Schools Forum** - Proposed Budget £30k

This comprises the budget for support for the Schools Forum by County Council officers plus venue costs. This budget is underspending and it is therefore proposed to reduce it by £10,000.

4.10 **Payment of Fees to Independent Schools for Pupils without SEN – Boarding Pathfinder** - Proposed budget £12k.

The Boarding Pathfinder Project is a national scheme that has been promoted to all local authorities by both the last and current governments to offer an alternative way to support disadvantaged children and families in crisis. Only a very small number of children meet the criteria for this support. The Boarding Pathfinder has had an annual budget of £52k. Once a child has been placed, the annual cost supports their attendance to the end of Year 11 and therefore forms part of each year's expenditure. Therefore, only a maximum of 3 children could ever be placed at any one time. This funding is still supporting two young people. Currently free places have been negotiated and this budget is only required to provide additional support costs and therefore the budget has been reduced accordingly.

4.11 **DfE Arranged Licenses** – Proposed Budget £919k

The DfE operates an arrangement whereby the main licences relevant to schools are procured nationally to drive best value for money. This arrangement is expected to continue in 2018/19 and the central budget is requested to fund this license charge. The cost of DfE arranged licences in 2017/18 was £894k. However, some increase is expected in view of the increase in pupil numbers

and inflationary pressures and therefore an additional £25k is requested.

#### **4.12 Former ESG retained duties - Proposed Budget £2,798k**

Whilst general duties ESG has been cut, the former retained duties ESG was transferred into the CSSB block. This funding is to fulfil responsibilities for all pupils regardless of whether they attend a maintained school or academy. The full allocation of this funding is required to enable core services to schools to be continued.

Retained duties responsibilities include education strategy, preparation of revenue budgets, discharge of financial responsibilities, provision of an attendance service, oversight of elective home education, general landlord duties and a number of other services. This includes an item of £836,000 contribution to the costs of relevant services delivered by HFL, as agreed by Forum in September.

### **CSSB Historical Commitments**

#### **4.13 Contribution to funding Family Support Workers (FSWs) - Proposed Budget £891k.**

This provides funding to local partnerships of schools (19 in total, covering all schools in the county) to support part of the cost of FSWs (approximately 67 workers countywide), which is deployed through local partnerships. FSWs work to improve outcomes for children, young people and families within their local partnership by adopting a whole family approach through the use of the family Common Assessment Framework.

This is to identify needs and provide timely early interventions where a co-ordinated support through a Team around the Family approach is required, to prevent negative impact on the child/young person's learning, attainment and/or their wellbeing; and to prevent escalation of need for statutory service intervention.

### **Schools Block Items**

#### **4.14 Growth Fund for Additional Places – Proposed Budget £4.45m**

Schools which are expanding at the request of the County Council receive allocations from the Growth Fund. Additional funding is provided in this situation because the extra cohort of pupils starting in September is not recorded in the school's census in time to generate additional funding in the normal way through the budget share. The Growth Fund therefore provides per pupil funding for the extra pupils for the period September to March. In addition to the September to March funding described above, the Growth

Fund incorporates a protection factor which guarantees pupil funding for expanding primary schools up to 24 or multiples thereof. Start-up costs for new basic need free schools also have to be met from the Growth Fund.

- 4.15 Whilst there was an underspend in 2017/18, the same budget is requested in 2018/19 given that a number of secondary expansions will be required as the demographic bulge transfers from primary to secondary schools, new housing growth driving new Free Schools in a number of localities.

- 4.16 **Growth Fund for Infant Class Size Protection** – Proposed Budget £521k

The Growth Fund also provides allocations to support schools in particular. Circumstances with delivering the infant class size (ICS) requirement. The budget requested is the same as in 2017/18.

- 4.17 **Falling Rolls Fund** – Proposed Budget £2,012k

The budget requested includes £2,012k for the Fund for small secondary schools in areas of demographic growth which is set at the current level. Forum should note that officers are considering re-introducing a cap of circa £500k to the fund given the significant sums that some schools are now receiving. However, before proposing a cap, we wish to understand the impact of proposed budget and admissions arrangement changes on the schools affected. We are therefore asking Forum to agree the sum in principle and a refinement to the criteria may follow in January for consideration alongside the paper on future places.

The fund for primary schools is unchanged at £0k with no schools currently qualifying under the criteria.

## **2. Central Budgets to be transitioned**

- 5.1 To ensure continuity of combined services and place them on a more permanent basis, it is proposed to transfer the following budgets to the County Council's budgets:

- 1) Education for children in residential care- £30k
- 2) The lead advisor for the virtual school- £78k

- 5.2 If this transfer is not agreed, these budgets will cease.

## **3. Recommendations:**

The Forum is asked:

- 1) To agree for 2018/19 the central budgets listed in Table 1.

**Extract from the minutes of the Schools Forum meeting of November 2017 covering item 5.**

**MINUTES OF THE MEETING OF THE SCHOOLS FORUM**

**Wednesday, 29 November 2017**

**Robertson House, Stevenage**

**ATTENDANCE:**

<b>Chair</b>	Alan Gray
<b>School Members</b>	Richard Haynes (Vice-Chair), Anna Greethan, Brian Frederick, Frances Manning, Jan Liversage, John Grubb, Matt Gauthier, Nick Rowlands, Paul Rosen, Robert Fielden, Robert Smith, Samantha Jayasuriya, Sara Lalis, Tony Fitzpatrick, Tracy Prickett, Zoe Hancock
<b>Non-School Members</b>	Tim Hutchings
<b>Substitutes</b>	Helen Ackerman (deputising for Karen James) Martin Brown (deputising for Alison Saunders)
<b>Officers</b>	Simon Newland, Catherine Tallis, Jonathan Burberry, Andrew de Csilléry, Kate Leahy, Brenda Dennett
<b>Apologies</b>	Alison Saunders, Judi Billing, Jo Hopkins, Mark Watkin, Denisse Skewis, Dave Allen
<b>Observing</b>	Cllr Terry Douris, John Grubb, David Williams (NUT)

**1. Minutes of Last Meeting & Matters Arising**

Francis Manning and Matt Gautier were congratulated on their recent elections as Academy representatives and welcomed to the Forum.

Francis Manning advised that she did not attend as a substitute at the last meeting.

Minutes were agreed and taken as an accurate record.

**5. Approval of centrally retained budget 2018/19**

Catherine Tallis presented this paper seeking the Forum's approval for the holding of a number of central budgets in 2018-19.

It was noted that the amount of funding allocated through the new central school services DSG block is less than Hertfordshire's current spend on these services. Some savings have been identified and taken into account in this paper but there will be a need to return to Forum in January with an amendment to align the budget to funds available.

There was a question about the budget for admissions. It was explained that most admissions work is common to both schools and academies.

Forum agreed for 2018-19 the central budgets listed in table 1 of the paper.

Vote					
For	18	Against	-	Abstain	-