

APPROVAL OF CENTRAL SCHOOL SERVICES BLOCK 2019-20

Report of the Director of Children's Services

Author:- Simon Newland
Tel:- 01992 555738

1. Purpose

- 1.1 To seek the approval of the Forum to the Central School Services Block (CSSB) budget for 2019/20.

2. Recommendations

- 2.1 The Forum is asked:

- (i) To note its decision on 28th November that CSSB expenditure should be set at the level of incoming CSSB DSG.
- (ii) To note that no inflation will be provided to any CSSB-funded services.
- (iii) To agree the additional pressures set out in para 3.3.
- (iv) To agree the proposed balancing reduction of £89,000 in the budget for administration of Admission Appeals.
- (v) To note that a further report on the implementation of this reduction for this year and subsequent years will be submitted to Forum in June.

3. Background

- 3.1 In November Forum was informed that the anticipated level of CSSB DSG for next year would be reduced in cash terms of £17,000 from 2018/19 levels. Forum at that stage decided that the CSSB budget would be set at the level of incoming DSG, and noted a balancing reduction needed to be identified. The level of incoming DSG has now been confirmed as £5.727m, representing a reduction of £26,000.
- 3.2 Forum was also informed of the range of services funded from this DSG, which included Admissions and Appeals, servicing of Schools Forum, SACRE, former ESG retained duties and DfE arranged licenses. It was noted that, even if no inflation was provided for these services there would need to be savings identified to balance the budget.

3.3 There are two additional pressures on this budget which need to be funded for 2019/20. These are:

(a) Financial provision for the costs of SACRE in 2019/20. It is proposed to make an allocation of £25,000, falling to £20,000 for 2020/21.

The costs of SACRE have now been disaggregated from the wider HfL contact and it will in future be supported separately. However, elements of the cost of SACRE have historically been unfunded and provided by HfL on a good-will basis. It is necessary now properly to establish a budget for the Committee. The proposal allows for a gradual transition down to a lower level of resourcing, prior to an eventual increase in some years' time when there will be a need to review the curriculum.

(b) DfE arranged licenses. An increase of £38,000 (4%) is required.

DfE negotiate a number of licenses centrally and recharge schools via the Council. The charge for next year is increasing due to rising pupil numbers and inflation. This charge is unavoidable.

3.4 In order to offset these cost increases (£63,000) and reduction in incoming DSG (£26,000) total savings of £89,000 will be required. It is proposed to make these by reducing the contribution from DSG to the costs of administering admission appeals. Further details round this proposal are set out below.

3.5 Costs of administering Admission Appeals:

3.6 Currently, the administration of the admission appeals process is undertaken by HCC staff in our Appeals Service, within Customer services, within the Resources Department. This activity is distinct from the presentation of the case to appeals panels, which is undertaken by the Admissions and Transport Service in Childrens Services.

3.7 The administration of appeals service is currently provided free to maintained schools but is charged to Academies. This arrangement reflects a historic position whereby Academies received additional funding from the DfE to reflect the costs of managing admissions. More recently, funding arrangements have changed with the ending of LACSEG/ESG top-ups to Academies.

3.8 The most recent 2019/20 DfE operational guidance makes clear that all schools should be treated equitably – i.e. the same – in relation to appeals. This strongly suggests that we should now move to introduce charges for maintained schools to match our current approach to Academies; but that payment of these charges by Maintained Schools would be mandatory.

3.9 At this stage, it is proposed that a review is undertaken to assess what changes should be made, undertake any necessary consultation, and prepare to a changed approach to charging which might well also include the level of charges. It is not currently clear whether current charges necessarily recover all costs including over heads. However, it would be undesirable to

seek to rush through changes for the coming summer (peak time for appeals), and therefore it is proposed that changes are implemented only from September. This should allow some part-year saving to be achieved.

- 3.10 It is proposed that a review process is now undertaken, with a report back to Forum in June for a decision on the way forwards. It is also proposed that a reduction of £89,000 is taken in the DSG funded budget for the administration of appeals, in the light of these prospective changes.

4. Financial implications

- 4.1 These are covered in the body of the report, above.

5. Conclusions and Recommendations:

- 5.1 The Forum is asked to agree the proposals set out in this paper.