

## SCHOOLS' FORUM

**Day:** Thursday  
**Date:** 14 January 2021  
**Time:** 10.00 am  
**Place:** Zoom Meeting

Item No.	AGENDA	Page No
1.	<b>APOLOGIES FOR ABSENCE</b> To receive any apologies for the meeting from Members of Schools' Forum.	
2.	<b>DECLARATIONS OF INTEREST</b> To receive any declarations of interest from Members of Schools' Forum.	
3.	<b>MINUTES OF SCHOOLS' FORUM MEETING 24 NOVEMBER 2020</b> To consider the minutes of the meeting of Schools' Forum held on 24 November 2020.	1 - 6
4.	<b>DSG BUDGET UPDATE FOR 2020-21</b> To consider the attached report of the Assistant Director, Finance and the Assistant Director, Education.	7 - 14
5.	<b>DSG FUNDING FORMULA 2021-22</b> To consider the attached report of the Assistant Director, Finance and the Assistant Director, Education.	15 - 30
6.	<b>DE-DELEGATION AND RPA 2021-22</b> To consider the attached report of the Assistant Director, Education, Assistant Director, Finance and Assistant Director, People and Workforce Development.	31 - 40
7.	<b>EXCLUSIONS - REDERMINATION OF BUDGETS</b> To consider the attached report of the Assistant Director, Finance and the Assistant Director, Education.	41 - 44

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## SCHOOLS' FORUM

24 November 2020

**Commenced: 10.00am**

**Terminated: 10.45am**

<b>Present:</b>	Karen Burns (Chair)	Primary Schools – Academies
	Susan Marsh	Governor, Primary Schools – L/A Maintained
	Lisa Lockett	Primary Schools – L/A Maintained
	Steve Marsland	Primary Schools – L/A Maintained
	Lisa Gallaher	Primary Schools – L/A Maintained
	Simon Brereton	Primary Schools – L/A Maintained
	Gemma Patterson	Primary Schools – L/A Maintained
	Kirsty Rimmer	Primary Schools – L/A Maintained
	Richard O'Regan	Secondary Schools – L/A Maintained
	Simon Wright	Primary Schools – Academies
	Heather Farrell	Primary Schools – Academies
	David Ainsworth	Governor, Secondary Schools – Academies
	Andrew Foord	Special Schools – L/A Maintained
	Rosario Sarno	Governor, Special Schools – Academies
	Anthony Benedict	Pupil Referral Service
	Anne Morgan	Tameside Teachers' Consultative Committee
	Elaine Sagar	Early Years Private, Voluntary and Independent Sector
	Elaine Horridge	Diocesan Representative
	Councillor Leanne Feeley	Executive Member
	Tim Bowman	Assistant Director, Education TMBC
	Christine Mullins	Finance Business Partner TMBC
	Louisa Siddall	Senior Accountant, TMBC
	Wendy Lees	Senior Finance Officer, TMBC
<b>Apologies for absence:</b>	Elizabeth Jones	Governor, Secondary Schools – L/A Maintained
	Donal Townson	Governor, Primary Schools – L/A Maintained
	Andy Card	Primary Schools – L/A Maintained
	Anton McGrath	14-19 Sector
	Councillor Oliver Ryan	Executive Member

### 16 DECLARATIONS OF INTEREST

There were no declarations of interest

### 17 MINUTES

Consideration was given to the minutes of the meeting of the School's Forum held on 29 September 2020. It was noted that Minute 8, DSG Budget update for 2020-21 and Early Years Outturn position 2019-20, referred to a **projected deficit** of £0.466m for the Early Years Block. However, this should have referred to a **projected surplus** of £0.466m.

### RESOLVED

**That, with the amendment stated above, the minutes of the meeting of Schools' Forum held on 29 September 2020 be approved as a correct record.**

## **18 HIGH NEEDS DEFICIT RECOVERY 2021-22**

Consideration was given to a report of the Assistant Director of Finance and the Assistant Director of Education. The report outlined the work streams proposed to address the Dedicated Schools Grant (DSG) High Needs deficit. It was highlighted that these strands of work had been discussed at previous meetings of Schools' Forum and that these proposals would be included in the DSG Management Plan to the DfE, outlining the recovery proposals.

Members of the Forum were reminded that, under the 2020/21 Dedicated Schools Grant (DSG) conditions, paragraph 5.2 required that any local authority with an overall deficit on the DSG account at the end of the financial year 2019/20 or whose DSG surplus had substantially reduced during the year, must present a plan to the DfE for managing their future spend.

Reference was made to previous discussion at Schools Forum on 29 September 2020, where members had previously indicated that they would be minded to support a 1% transfer from the Schools Block to the High Needs Block and that a disapplication request must be submitted to the Secretary of State in order to facilitate this.

The plan set out the proposed actions to address the deficit, which, as reported in the September 2020 meeting of Schools Forum, was forecast to be £3.638m. Details of the plan and an outline of the measures to mitigate this deficit were presented.

With regard to funding, it was proposed that, subject to the approval of Schools' Forum, a 0.5% transfer from the Schools Block be made to the High Needs Block, with a further transfer of 0.5% to be requested, subject to Secretary of State approval, assuming that this could be achieved in adherence to the NFF funding bands. The final element of this funding proposal anticipated that future funding from the DfE would be provided, with the removal of the significant cap on funding (£3.1m for Tameside).

In addition, it was stated that a detailed review of services funded from the High Needs Block was underway, which was expected to realise financial savings. Areas under review included Sensory Support Services and Specialist SEND Services. Alongside this, it was also highlighted that there were currently 2 specialist posts, currently funded inappropriately from the High Needs Block. As both of these posts solely supported the Early Years agenda, it was explained that they would be funded from the Council's centrally retained element going forwards.

Members of the Forum were made aware that a review of Element 3, top-up funding was underway. It was explained that the financial implications of this had not been fully considered at this stage as a banding model was being developed, which focused on the provision needed to support the pupils' need rather than funding the type of need. With this in mind, a Matching Provision to Need (MPTN) document had been developed by the SEND team and would be fully consulted upon moving forwards.

As previously discussed at Schools Forum, it was explained that a review of resource bases was also underway in order to increase provision in the borough; to meet the needs of young people locally and reduce the need for Out of Borough and Independent settings. It was envisaged that additional places in each of the four localities be established and, whilst it was acknowledged that these proposed changes would require additional funding to establish, it was stated that this would support the LA in avoiding more costly provision elsewhere. It was, therefore, anticipated that this would represent a net saving. Members of the Forum were also made aware that the LA would look to further develop additional sites and carry out a review of the centrally managed bases. The outcome of this review would, again, be subject to the LA's normal governance and staffing related consultation and decision-making processes.

In relation to Building Contracts and Estates Review, it was explained that one of the special schools had a PFI style contract for which a review would be undertaken in order to assess value for money. It was envisaged that potential savings could be found from this contract. Furthermore,

it was explained that a review of the special school estate use of PFI buildings would be considered over the longer term, including its use and whether better use of space could be identified. Members of the Forum were informed that both of these reviews would require appropriate decision making through the LA's normal governance routes and approval before any savings could be realised.

An explanation was provided in relation to Growth and Overcapacity Funding in special schools. This followed an initial discussion during Schools Funding Group in October 2020 and was with regard to the funding of additional special school places outside the annual place review process. It was explained that Schools Funding Group had supported a 5% range of placements and had asked that this be shared with special schools for consideration. This proposal had previously been shared in Summer 2019. However, at that time, the proposal was stalled due to significant increase in growth. It was stated that, as growth had now stabilised and additional provision was being commissioned within the borough, it was appropriate timing to revisit this proposal.

Members of the forum were informed that sixth form provision was being established at Cromwell school to provide increased parental choice and expand the provision in the borough, with appropriate LA governance and consultation underpinning this proposal.

In relation to Tameside Pupil Referral Service (TPRS) provision and Inclusive Schools, members were informed that, following the appointment of a new headteacher at TPRS, the post holder would be looking at the rate of exclusions in the borough and appropriate support to schools. It was expected that, with appropriate support over a longer term, exclusions would reduce and, therefore, the number of places needed at TPRS would decrease accordingly. It was also highlighted that funding for targeted interventions would be considered as part of this plan.

Members of the Forum were informed that, in line with current DSG regulations, the LA would be following the guidance that funding for excluded pupils follow the pupil. It was explained that the regulations state this should include all pupil-led funding and pupil premium, where appropriate, and that this would be implemented from January 2021.

In conclusion, it was stated that, without appropriate action, the High Needs DSG Block would continue to overspend and the deficit would be increased. This deficit was currently being cash flowed from LA general funding and reserves. It was highlighted that this was not sustainable. Without the Management Plan, members were informed that the LA would be in breach of the DSG conditions of grant and would be subject to further investigation by the DfE, on behalf of the Secretary of State.

## **RESOLVED**

**That the contents of the report be noted and supported**

## **19 SCHOOLS BLOCK FUNDING FORMULA 2021-22**

Consideration was given to a report of the Assistant Director of Finance and the Assistant Director of Education with regard to Schools Block Funding for 2021-22.

It was explained that a consultation on the proposals of this report had been circulated to all schools and Chairs of Governing Bodies. Due to the timing of this consultation, the results had not previously been published. However, a briefing paper outlining the results was shared with members of the Forum in advance of the meeting and a summary was provided.

The consultation was launched on 22 October 2020 and closed on 11 November 2020. There were 21 respondents in total. However, 2 of the respondents did not state which school they were from so had been discounted. In addition, there were also 2 schools in which 2 responses were received (both providing the same response). As a result, the response rate was reduced to 17 schools from a potential 98 (17% response rate).

The results of the consultation are detailed below:

**Q1.** Do you support a 0.5% transfer from the Schools Block to the High Needs Block (as agreed in principle with Schools Forum) whilst adopting NFF 2021-22 rates and accepting a 0.5% MFG and 3.21% Gains Cap?

**Q2.** Do you support increasing the transfer to 1%, if we were still able to adopt the NFF rates for 2021-22, and obtain approval from the Secretary of State through the disapplication process?

	Total Returns	Q1 Yes Returns	Q1 Yes Returns	Q2 Yes Returns	Q2 Yes Returns
Primary	13	13	100%	8	62%
Secondary	4	2	50%	1	25%
Total	17	15		9	

The provisional allocation for 2021-22 was shared with Forum members and allocations were compared with the 2020-21 position. It was highlighted that, of the £12.5m increase on the Schools Block, £7.5m related to the Teachers' Pay and Pension Grant, which had been rolled into DSG funding. It was further explained that this £7.5m was protected and must be passed directly on to schools, with the remaining £5m increase representing a 3% increase on 2020-21 cash levels.

Forum members were informed that there were increases in funding across all blocks for Tameside MBC, which was positive. However, it was also highlighted that the pressures on High Needs exceeded the increase that the LA is set to receive. With regard to this High Needs pressure, it was explained that Tameside had received the maximum provisional funding increase possible, capped at 12% (before Import/Export adjustments and Recoupment). However, without this cap at 12%, Tameside would have received an additional £3.1m in 2021-22 and, for context, it was highlighted that the 2020-21 cap was £2.6m.

As previously reported, the estimated position on High Needs for 2020-21 was an in-year overspend of £3.543m. It was explained that this was after the £0.85m transfer from the Schools Block (the position would have been an in-year overspend of £4.393m without the transfer). Members were informed that, in 2021-22, whilst the additional increased funding was welcomed, it would still leave a shortfall of £1.775m (based on current estimates) and would not take into account the 2020-21 expected DSG deficit estimated to be £3.638m.

It was explained that this increase in the Schools Block funding would allow all schools to see an increase in their pupil led funding and, as previously reported, the minimum funding guarantee (MFG) of +0.5% to +2% would mean that all schools would see at least 0.5% increase on pupil-led funding.

With regard to the National Funding Formula (NFF), members were made aware that rates had increased by 3% in the majority of instances, except Free School Meals (FSM), which had increased by 2% and a summary of these rates was provided.

A detailed analysis of school-level funding was provided for members and they were asked to note that any figures provided would not be the actual figures received for the 2021-22 financial year as these figures were all indicative and subject to change. These provisional calculations were based on the October 2019 census data, updated to include the 2019 IDACI data. It was explained that, once the LA had received the updated census data for October 2020 (in December 2020), final calculations would be produced. Members were also informed that the premises elements of funding had been updated to reflect an uplift in RPIX for PFI of 1.56%.

Members of the Forum were provided with detailed information on the 2020-21 funding allocation and details of the proposed funding scenario for 2021-22. This scenario would allow a transfer of

0.5% (£0.869m) from the provisional Schools Block allocation to the High Needs Block, whilst continuing to adopt the NFF rates for 2021-22. Based on the provisional School Block allocation the MFG would be set at 0.5% and the gains cap at 3.21% to allow the transfer to take place. They were also provided with information on the impact of the changes introduced by DfE on the IDACI data and inclusion of the Teachers' Pay and Pension grants for further context.

It was explained that the LA had spent the last few years moving to the NFF. This had been with the support of schools, in line with DfE's instruction. With this in mind, the importance of adhering to NFF as closely as possible was highlighted. It was explained that the movement of 0.5% would not fully support the High Needs pressure for 2021-22 and, if there was sufficient funding to allow a 1% transfer (£1.738m) whilst maintaining the NFF rates, the LA would like support from Schools to do this. Members were informed that this would require approval from the Secretary of State through the disapplication process. Members were also reminded that this was an annual decision and so would apply to 2021-22 only, at this stage.

**RESOLVED**

- (i) That a 0.50% transfer from Schools Block to High Needs Block in 2021-22 (at a minimum) be approved.**
- (ii) That a disapplication request to the Secretary of State to transfer 1.00% (if affordable) from the Schools Block to the High Needs Block be approved.**

**20      DATE OF NEXT MEETING**

**RESOLVED**

**That the next meeting of The Schools Forum be held on Thursday 14 January 2021 at 10am.**

**CHAIR**

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# Agenda Item 4

<b>Report to:</b>	<b>SCHOOLS' FORUM</b>
<b>Date:</b>	14 January 2021
<b>Reporting Officer:</b>	Tim Bowman – Assistant Director, Education Tom Wilkinson – Assistant Director, Finance
<b>Subject:</b>	<b>DSG BUDGET UPDATE FOR 2020-21</b>
<b>Report Summary:</b>	A report on the Dedicated Schools Grant budget position for the financial year 2020-21.
<b>Recommendations:</b>	Members of the Schools' Forum are requested to note the contents of the report.  Schools Forum are asked to agree any unspent amounts are held in reserve to offset the High Needs deficit.
<b>Corporate Plan:</b>	Education finances significantly support the Starting Well agenda to provide the very best start in life where children are ready to learn and encouraged to thrive and develop, and support aspiration and hope through learning and moving with confidence from childhood to adulthood.
<b>Policy Implications:</b>	In line with financial policy and framework.
<b>Financial Implications:</b> <b>(Authorised by the statutory Section 151 Officer &amp; Chief Finance Officer)</b>	<p>The Dedicated Schools Grant is a ring fenced grant solely for the purposes of schools and pupil related expenditure.</p> <p>The current projection for 2020-21 is expected to be a deficit on the DSG reserve of £2.711m at the end of the financial year.</p> <p>The report details the in year movements and forecasts on the 4 main blocks of the DSG, with the High Needs Block continuing to be under pressure with a forecast in year shortfall of funding of £2.838m, offset by underspends of £0.395m on the Early Years block, £0.304m on the Schools Block and £0.003m on the Central Block.</p> <p>A deficit recovery plan has been produced as to how the deficit is expected to be recovered and spending managed in future years. The main body of the report provides the detail of performance against the budget and the overall financial position.</p>
<b>Legal Implications:</b> <b>(Authorised by the Borough Solicitor)</b>	<p>There is a statutory duty to use resources efficiently and effectively against priorities and to achieve a balanced annual budget.</p> <p>In noting the report, Forum Members should ensure they understand the outturn and budget positions and that robust challenge is factored into the reporting mechanism especially given the current known deficits.</p>
<b>Risk Management:</b>	<p>The correct accounting treatment of the Dedicated Schools Grant is a condition of the grant and procedures exist in budget monitoring and the closure of accounts to ensure that this is achieved.</p> <p>The Council is responsible for the effective administration and management of the DSG. The deficit brought forward from 2019-20 and the expected increase in the size of the deficit by the end of</p>

2020-21 is subject to a deficit recovery plan with the DfE. There is a risk that this may impact on the effective support and education of our most vulnerable children.

**Access to Information:** **This report does not contain information which warrants its consideration in the absence of the press or members of the public.**

**Background Information:** The background papers relating to this report can be inspected by contacting Christine Mullins – Finance Business Partner, Financial Management, Children's and Safeguarding Services



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## 1. INTRODUCTION

- 1.1 This report is presented to provide an update on the Dedicated Schools Grant (DSG) budget for 2020-21. The report sets out:
- A budget update for the DSG for 2020-21 (Section 2)
  - A detailed update for High Needs for 2020-21 (Section 3)
  - A detailed update for Early Years (Section 4)
  - The DSG reserve position at 31 March 2020 and the estimated DSG reserve position at 31 March 2021 (Section 5)

## 2. DSG BUDGET UPDATE FOR 2020-21

- 2.1 The updated DSG settlement and projected distribution / spend is included in Table 1.

**TABLE 1 – DSG Forecast for 2020-21**

<b>DSG Funding Blocks</b>	<b>DSG Settlement 2020-21 at Nov 2020 £000</b>	<b>Block Transfer 2020-21 £000</b>	<b>Revised DSG 2020-21 £000</b>	<b>Projected Distribution / Spend 2020-21 £000</b>	<b>Forecast Surplus / (Deficit) £000</b>
Schools Block	169,918	(850)	169,068	168,764	304
Central School Services Block	953	0	953	951	3
High Needs Block (Pre/Post 16)	24,425	850	25,274	28,112	(2,838)
Early Years Block	17,261	0	17,261	16,866	395
<b>Total</b>	<b>212,557</b>	<b>0</b>	<b>212,557</b>	<b>214,693</b>	<b>(2,136)</b>

*Note: the table above includes roundings*

- 2.2 There is a forecast surplus of £0.072m on the schools block relating to rates rebates in relation to schools that recently converted to Academy status and actual rates charges being lower than estimated. This partly offset by rates revaluations (relating to 6 schools) resulting in an increase in the costs of £0.019m. There is a surplus of £0.251m relating to unallocated growth funding. The growth allocation is based on pupil numbers at the October 2020 census point and the figures have now been updated in line with the census data. Any surplus is proposed to contribute to the DSG reserve deficit.
- 2.3 There is forecast to be a small surplus on the central school services block of £0.003m due to the cost of licences being slightly less than estimated.
- 2.4 The projected deficit on the high needs block is £2.838m and further information on this can be found in **Section 3**.
- 2.5 The projected surplus on the early years block is £0.395m and further details are provided in **Section 4** of this report.

## 3. HIGH NEEDS UPDATE FOR 2020-21

- 3.1 The high needs budget position has been updated with the latest figures and this includes real time movement up to December 2020. The latest position can be seen below in table 2. The in-year overspend against the high needs block is now estimated to be £3.687m and this will be offset by the schools block transfer leaving a projected year-end deficit of £2.838m.

**TABLE 2 – High Needs Budget Position at December 2020**

<b>High Needs Budget Position</b>	<b>2020-21 Original Forecast (April 20) £000</b>	<b>2020-21 Revised Forecast (Autumn Term) £000</b>	<b>2020-21 Variance £000</b>	<b>% Change</b>
Mainstream	2,662	3,187	(524)	20%
Special	11,099	11,535	(436)	4%
TRPS	2,560	2,559	1	0%
Resourced Units	155	184	(29)	16%
Independent Schools	3,139	3,163	(24)	1%
NMSS	374	452	(78)	17%
OOB (Pre 16)	1,064	1,043	21	-2%
Post 16	2,855	2,763	91	-3%
Hospital Education	82	82	0	0%
SEN Support Services	1,822	1,776	46	-3%
Income OOB	(358)	(439)	82	19%
<b>Total Spend</b>	<b>25,454</b>	<b>26,303</b>	<b>(849)</b>	<b>28%</b>
Original Funding	24,401	24,425	(24)	
Academy Recoupment	(1,630)	(1,630)	0	
<b>Total Funding</b>	<b>22,771</b>	<b>22,795</b>	<b>(24)</b>	
<b>Overspend before Overspend bfw &amp; Growth</b>	<b>(2,683)</b>	<b>(3,509)</b>	<b>825</b>	
Projected in Year Growth:				
Summer Term Real Time	1,238	0		
Autumn Term Real Time	990	0		
Spring Term Real Time	743	179		
Total Growth	2,971	179		
<b>High Needs Block - Projected Overspend at Year End (Before Overspend bfwd &amp; Block Transfer)</b>	<b>(5,654)</b>	<b>(3,687)</b>		
<b>0.5% transfer Schools Block</b>	<b>850</b>	<b>850</b>		
<b>High Needs Block In Year 2020-21</b>	<b>(4,804)</b>	<b>(2,838)</b>		

- 3.2 This is an improved position and as reported at Schools' Forum in September and November 2020. There does appear to be a slowing or flattening in growth and this is explained further in tables 3 and 4 below.
- 3.3 In addition, a review of SEN Support services has identified some savings related staffing charged to the high needs block. These savings are now included above and the full year effect will be seen in next year's spend.

**TABLE 3 – Growth in year 2020-21**

<b>Increase EHCP'S</b>	<b>Original April 2020</b>	<b>Current Dec 2020</b>	<b>No's Increase</b>	<b>% Increase</b>
Mainstream	460	570	110	24%
Special	579	634	55	10%
TRPS	19	34	15	79%
Resourced Units	49	57	8	16%
Independent Schools	99	101	2	2%
NMSS	9	9	0	0%
OOB (Pre 16)	89	91	2	2%
Post 16	219	216	-3	-1%
<b>TOTAL</b>	<b>1,523</b>	<b>1,712</b>	<b>189</b>	<b>12%</b>

- 3.4 Tameside has seen significant growth in the last 2-3 years and this has brought us more in line with the national average, which at January 2020 was 3.1%. The number of EHCP's is expected to increase to 1,832 by the end of this financial year, which will bring the percentage of pupils with EHCP's in Tameside to 3.79%.
- 3.5 The Growth projections are based on some growth in the special sector next year then this will flatten as schools reach capacity. There is also expected growth in resource bases, with the implementation plans for new units across the borough. This leaves the mainstream sector where growth is expected to increase at a slower rate flattening out in 2025. The growth below is net and offset by plans ceasing.

**TABLE 4 – Growth Projections EHCP's**

<b>Year</b>	<b>No of EHCP'S</b>	<b>Growth No's</b>	<b>% Growth</b>	<b>2-18 Population</b>	<b>% EHCP to Population</b>
2018	977			46,405	2.11%
2019	1,344	367	37.56%	47,002	2.86%
2020	1,575	231	17.19%	47,426	3.32%
<b>2021</b>	<b>1,832</b>	<b>257</b>	<b>16.32%</b>	<b>48,335</b>	<b>3.79%</b>
2022	2,132	300	16.38%	48,335	4.41%
2023	2,332	200	9.38%	48,335	4.82%
2024	2,400	68	2.92%	48,335	4.97%
2025	2,400	0	0.00%	48,335	4.97%

#### **4. EARLY YEARS UPDATE FOR 2020-21**

- 4.1 A detailed update of the early years block for 2020-21 is included in Table 5.

**TABLE 5 – Early Years 2020-21 Projections**

<b>Early Years Funding Block</b>	<b>Early Years DSG Settlement 2020-21 at Nov 2020 £000</b>	<b>Projected Distribution / Spend 2020-21 £000</b>	<b>Estimated Outturn Surplus / (Deficit) £000</b>
Early Years for 3 and 4 Year Olds Universal Entitlement	9,028	8,558	470
Early Years for 3 and 4 Year Olds Extended Entitlement	4,276	3,873	404
Early Years for 2 Year Olds	2,789	2,643	146
Autumn 2020 Term Adjustment		716	(716)
Early Years Pupil Premium	136	159	(23)
Early Years Disability Access Fund	69	30	39
Early Years Centrally Retained Expenditure (3 & 4 Year Olds) based on 5% Retention	710	635	75
Early Years Centrally Retained Expenditure (2 Year Olds)	69	69	0
SEN Inclusion Fund - 3 & 4 Year Olds	180	180	0
SEN Inclusion Fund - 2 Year Olds	5	5	0
<b>Total</b>	<b>17,261</b>	<b>16,866</b>	<b>395</b>

*Note: the table above includes roundings*

- 4.2 Table 5 reflects the 2020-21 early years' settlement, compared with the projected distribution / spend against the grant. The projections are based actual payments for the Summer 2020 and Autumn 2020 terms, along with the adjustment to increase the hours of participation to Autumn 2019 levels where required (as reported at Forum in September 2020) and estimates for uptake in the Spring 2021 term. The DfE have confirmed that payments to providers for the spring 2021 should be based on actual participation. Due to the current Covid19 situation, it is more difficult to complete the projections for spend, due to the impact on providers. At present, we are anticipating a £0.395m surplus at the end of the financial year but this could significantly change due to changing nature of government directives in managing the covid19 outbreak, and the rapidly changing environment we find ourselves in.
- 4.3 Autumn 2020 has seen the vast majority of providers re-open. A number of providers have had temporary closures as a result of Covid19 and the requirements for self-isolation. The re-opening has seen participation steadily increasing throughout the term but it has not returned to pre Covid19 levels and as a result has required adjustment payments to 130 providers to top up to autumn 2019 participation levels.
- 4.4 The final settlement for early years funding will not be announced until July 2021 and as a result of the Covid19 situation the DfE have advised they will be changing the measurement of the adjustment. The projections will continue to be updated throughout the financial year to take account the actual uptake and reported to Schools Forum.
- 4.5 It is currently projected that there will be a surplus of £0.075m the centrally retained element of early years funding, again we propose any underspend in DSG is utilised to support the DSG deficit position.

## 5. DSG ESTIMATED RESERVE POSITION AT 31 MARCH 2021

- 5.1 Table 6 provides details on the closing position of the DSG reserve for 2019-20 and the estimated position of the DSG at 31 March 2021.

**TABLE 6 – DSG Reserve**

	2019/20 Surplus / (Deficit) £000	2020/21 Forecast Surplus / (Deficit) £000
<b>DSG Reserve Brought Forward</b>	<b>3,228</b>	<b>(557)</b>
<b>Schools Block Changes</b>		
In year surplus on business rates	13	53
In year surplus on growth fund	101	251
<b>Schools Block Subtotal</b>	<b>114</b>	<b>304</b>
<b>In year deficit on Central Schools Services Block</b>		<b>3</b>
<b>In year deficit on High Needs Block</b>	<b>(4,568)</b>	<b>(2,838)</b>
<b>In year surplus on Early Years</b>	<b>251</b>	<b>395</b>
<b>Estimated Early Years 2019-20 Adjustment (TBC June 2020)</b>	<b>296</b>	
<b>Early Years Block 2018-19 Adjustment</b>	<b>122</b>	
<b>Variation to Early Years Block 2019-20 Adjustment</b>		<b>(18)</b>
<b>DSG Reserve after Commitments</b>	<b>(557)</b>	<b>(2,711)</b>

- 5.2 If the 2020-21 projections materialise, there would be a deficit of £2.711m on the DSG. A deficit recovery plan has been developed as discussed at Schools' Forum in November. This has been submitted to the DfE. The position will be closely monitored throughout the year and updates will be reported to Schools' Forum.

## 6. RECOMMENDATIONS

- 6.1 As set out at the front of the report.

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<b>Report to:</b>	<b>SCHOOLS' FORUM</b>
<b>Date:</b>	14 January 2021
<b>Reporting Officer:</b>	Tim Bowman – Assistant Director, Education Tom Wilkinson – Assistant Director, Finance
<b>Subject:</b>	<b>DEDICATED SCHOOLS GRANT (DSG) FUNDING FORMULA 2021-22</b>
<b>Report Summary:</b>	A report on the arrangements concerning the DSG funding for 2020-21.
<b>Recommendations:</b>	<ol style="list-style-type: none"><li>1. Members of the Schools' Forum are requested to note and support the contents of the report.</li><li>2. Members of the Schools' Forum approve the funding formula for mainstream schools as set out in Section 3.</li><li>3. Members of the Schools' Forum approve the growth fund.</li><li>4. Members are requested to support schools' continued contribution to Tameside Safeguarding Children's Partnership.</li><li>5. Members of the Schools' Forum approve the allocation of the Central Services Schools Block.</li></ol>
<b>Corporate Plan:</b>	Education finances significantly support the Starting Well agenda to provide the very best start in life where children are ready to learn and encouraged to thrive and develop, and supports Aspiration and Hope through learning and moving with confidence from childhood to adulthood.
<b>Policy Implications:</b>	In line with financial and policy framework.
<b>Financial Implications:</b> <b>(Authorised by the statutory Section 151 Officer &amp; Chief Finance Officer)</b>	<p>The Dedicated Schools Grant is a ring fenced grant solely for the purposes of schools and pupil related expenditure.</p> <p>This report sets out the allocation basis for all Tameside schools for 2021-22</p>
<b>Legal Implications:</b> <b>(Authorised by the Borough Solicitor)</b>	<p>The legal framework for school budgets is based on legislative provisions contained in sections 45-53 of the School Standards and Framework Act 1998 and accompanying regulations. The School and Early Years Finance (England) Regulations 2014 provide the framework for the funding of maintained schools including how the local authority may allocate their schools budget.</p> <p>The School and Early Years Finance Regulations 2014 gave effect to the decision to reform school funding through a simplified local formula with greater delegation to schools and new arrangements for funding pupils with high needs. In addition the School and Early Years Finance (England) (No. 2) Regulations 2020 set out the requirements for determining the 2021/2022 financial year.</p> <p>The Department for Education and Skills Funding Agency has also issued Operational Guidance for local authorities relating to school and early years budget setting for the 2021/22 financial year to support Council's compliance with the Regulations.</p>

**Risk Management:**

The correct accounting treatment of the Dedicated Schools Grant is a condition of the grant and procedures exist in budget monitoring and the closure of accounts to ensure that this is achieved. These will be subject to regular review.

**Access to Information:****NON-CONFIDENTIAL**

**This report does not contain information which warrants its consideration in the absence of the Press or members of the public.**

**Background Information:**

The background papers relating to this report can be inspected by contacting Christine Mullins – Finance Business Partner, Financial Management, Children's and Safeguarding Services



Telephone: 0161 342 3216



e-mail: [christine.mullins@tameside.gov.uk](mailto:christine.mullins@tameside.gov.uk)

## 1. INTRODUCTION

- 1.1 This report sets out information on the allocation of the Dedicated Schools Grant (DSG) for 2021-22.
- 1.2 **Section 2** is a summary of the DSG settlement from the DfE/ESFA.
- 1.3 **Section 3** provides details of the Schools Block and the proposed funding formula for Mainstream Schools in Tameside in 2021-22.
- 1.4 **Section 4** provides details of the High Needs Block.
- 1.5 **Section 5** provides details of the Early Years Block.
- 1.6 **Section 6** provides details of the Central School Services Block (CSSB).

## 2. PROVISIONAL DSG SETTLEMENT FOR 2021-22

- 2.1 The provisional DSG settlement for 2021-22 of £229.965m was received on 17 December 2020. All DSG funding must be deployed to schools and / or pupils in accordance with the School and Early Years Finance (England) Regulations 2020.
- 2.2 Table 1 provides the breakdown of the provisional settlement for the four blocks within the DSG announced in December 2020, compared with the 2020-21 latest settlement figures.

**TABLE 1 – DSG Settlements as at December 2020**

DSG Blocks	2020-21 £000	2021-22 £000	Increase £000
Schools Block (includes Academies)*	169,918	183,081	13,163
High Needs Block	24,425	28,277	3,852
Early Years Block	17,261	17,494	232
Central Schools Services Block	953	1,114	161
<b>Total</b>	<b>212,557</b>	<b>229,965</b>	<b>17,408</b>

*Note: the table above includes roundings*

\* It should be noted Academy funding is recouped by the ESFA. The amount recouped by the ESFA is calculated using the formula set out in Section 3.

- 2.3 The Schools Block increase relates to an increase in pupil numbers, the roll in of the Teachers Pay and Pensions Grants, uplift for RPIX on PFI and an increase in DfE funding rates.
- 2.4 The High Needs block increase relates to an increase in pupil numbers and the per head gain Tameside is seeing as a result of the National Funding Formula. The gains cap is set at 12% for 2021-22, allowing Local Authority's (LAs) to see an increase up to this amount compared to the 2020-21 actual high needs allocation. Tameside are seeing an increase of 16% including growth in pupil numbers.
- 2.5 The Early Years Block increase relates to an increase in the DfE funding rates.
- 2.6 The CSSB increase relates to an increase in pupil numbers and an increase in the DfE funding rate, which includes an element of funding for the roll in of the Central Teachers Pension grant. Further information is provided in **Section 6**.

### 3. SCHOOLS BLOCK

3.1 The Schools Block is the largest element of DSG funding which provides the majority of funding for Mainstream Schools and Academies, with additional elements potentially being allocated through the Early Years and High Needs blocks. The schools block settlement from the DfE is made up of the following funding:

- A primary unit of funding (PUF) of £4,601.57;
- A secondary unit of funding (SUF) of £5,902.47;

These units of funding are based on 2020-21 pupil numbers and characteristics and make up the vast majority of the schools block. This core school funding covers funding for all pupil and school led factors in the funding formula. The PUF and SUF are multiplied by the pupil numbers in reception to year group 6 plus pupils aged 4 to 10 not assigned to a year group for primary and pupils in year group 7 to 11, plus pupils aged 11 to 15, not assigned to a year group for secondary.

- Premises – this includes PFI and business rates which are based on historical spend;
- Mobility – to support schools in which a high proportion of pupils first join on a non-standard date.
- Growth – this is calculated using the difference between the primary and secondary numbers on roll on the October 2019 and October 2020 school censuses.

**TABLE 2 – Schools Block Settlement from DfE**

<b>Element of Funding</b>	<b>Schools Block £000</b>
Primary Funding (20,697 Pupils)	95,239
Secondary Funding (14,059 Pupils)	82,983
Premises	3,923
Growth	936
<b>Total</b>	<b>183,081</b>
Protected Funding for the pay and pension grants	7,574
<b>Total excluding protected funding</b>	<b>175,507</b>

#### **Proposed funding Formula for Mainstream Schools**

- 3.2 Schools' Forum agreed to support a disapplication request to the Secretary of State to move 1% from the Schools Block to the High Needs block. At the time of writing this report, the outcome of the disapplication is unknown. A 1% transfer is not affordable within the funding settlement whilst adhering to the NFF rates (as agreed with Schools' Forum). Therefore, should the disapplication be approved, a transfer of 0.575% will be made resulting in £1.009m being transferred from the Schools Block to the High Needs Block.
- 3.3 Schools' Forum agreed to support a 0.5% transfer in the event the Secretary of State rejected the application. Should this be the case, it would result in a transfer of £0.877m of Schools Block funding to the High Needs Block and the £0.132m remaining would be added to the growth fund as unallocated growth to support any additional unknown growth requirements. It is proposed that any surplus in growth be used to support the deficit on the DSG.
- 3.4 The rates used for each sector to allocate the funding to each individual school are included at **Appendix A**.
- 3.5 The PFI funding continues to be delegated to the relevant schools. The delegated figures have been uplifted by RPIX of 1.56% which reflects the increase in the unitary charge paid

for the delivery of PFI services. This element of funding will be recovered by the LA in 2021-22 as in previous years.

- 3.6 Business Rates are funded to the equivalent value of the Business Rates charge for 2021-22. An estimate of Business Rates has been calculated as the actual charges will not be available until late March / early April 2021. Adjustments will be made accordingly once the charges are known.
- 3.7 In 2021-22 LAs are able to set the Minimum Funding Guarantee (MFG) between +0.5% and +2% per pupil. In the Schools' Forum paper in November 2020 the proposals were to include a 0.5% MFG which is the rate at which MFG has been set.

The MFG is calculated as follows.

'Total Schools Block' plus 'the protected teachers' pay and pension funding' minus 'Business Rates' minus 'Lump Sum' = MFG Value. It should be noted that MFG does not protect a reduction in funding due to a reduction in pupil numbers.

- 3.8 The Gains Cap is a limiting factor which limits the gain in pupil led funding per pupil that a School receives. This is a necessary factor to enable the LA to meet its statutory duty to set a balanced DSG budget. For 2021-22 the gains cap required is 3.64% as opposed to the 3.21% cap consulted upon in November 2020. This means that a gaining school will receive up to a 3.64% gain (0.5% as MFG plus 3.14% cap) on pupil led funding. Any gain above this is used to partly offset the MFG and allow a balanced DSG budget to be set.

### **Growth**

- 3.9 The policy for the growth fund was agreed by Schools' Forum in June 2019 and is included at Appendix B.
- 3.10 There are 2 types of growth that are funded from the growth fund. Explicit Growth and Implicit Growth.
- (a) Explicit growth relates to the specific growth fund and is allocated based on the growth criteria agreed by Schools Forum.
  - (b) Implicit growth relates to adjustments to pupil numbers when calculating the funding; in this case for new and growing schools.
- 3.11 The estimated Growth Fund required in 2021-22 is £0.544m and detail of this growth is included in table 3. This relates to the explicit growth only. As stated in the growth policy, the final growth allocation will be based on actual numbers which will be taken from the October 2021 census.

**TABLE 3 – Explicit Growth**

<b>School</b>	<b>£000</b>
Milton St John's CofE Primary School	33
Alder Community High School	64
Mossley Hollins High School	62
Hyde Community College	77
Denton Community College	77
St. Thomas More RC College	39
All Saints Catholic College	77
Audenshaw High	77
Droylsden Academy	39
<b>Total</b>	<b>544</b>

*Note: the table above includes roundings*

- 3.12 There are currently three new and growing schools in Tameside. Growth is required for these schools as the intake increases each year. The growth for these schools is allocated by adjusting pupil numbers to reflect the estimated intake in September. This is implicit growth and the breakdown of allocations is included in table 4.

**TABLE 4 – Implicit Growth**

School	£000
Inspire Academy	147
Discovery Academy	74
Laurus Ryecroft	645
<b>Total</b>	<b>866</b>

- 3.13 As in previous financial years Schools are asked to support safeguarding in the borough, by agreeing to make a contribution of £2.90 per pupil towards the cost of the TSCP (Tameside Safeguarding Children Partnership). All schools are asked support the continuation of this arrangement in 2021-22. This equates to approximately £0.103m.

#### **4. HIGH NEEDS BLOCK**

- 4.1 In December 2020 the government released the provisional 2021-22 High Needs Block Allocation of £28,277m (before academy recoupment). This is an increase in funding of £3.852m compared to 2020-21 budget settlement.
- 4.2 Table 5a shows the increase in funding before any academy recoupment and Table 5b provides a more detailed breakdown of the change in Basic Entitlement. The allocation includes the following adjustments:
- Basic Entitlement updated with pupil number data from the October 2020 census
  - Basic Entitlement includes approx. £0.456m teachers' pay & pension and £0.391m growth in pupil numbers
  - Import and Export adjustments to reflect cross border movement of pupils living in one borough and accessing provision in another (a further update to this data will follow in June 2021 when January 2021 school census for Pre 16 and February 2021 R06 individualised Learner Record (ILR data) for Post 16 is available)
  - The new AP Funding Factor which includes hospital education funding and teacher pay and pension grant for AP providers.

**TABLE 5a – Changes in settlement compared to 2020-21**

	2020-21 Allocation £000	2021-22 Allocation £000	Difference
Total high needs elements in the funding floor and gains calculation	22,571	25,468	2,897
Basic Entitlement (see table 5b)	2,426	3,282	856
<b>Total Formula Allocation</b>	<b>24,997</b>	<b>28,751</b>	<b>3,754</b>
Plus AP Funding Factor	82	180	98
Less Import/export	(654)	(654)	0
<b>Total Allocation (before Recoupment)</b>	<b>24,425</b>	<b>28,277</b>	<b>3,852</b>
Less Recoupment	(1,630)	(1,630)	0
<b>Total Allocation (after Recoupment)</b>	<b>22,795</b>	<b>26,647</b>	<b>3,852</b>
Further Recoupment Adjust (place Change Sept 21)		(68)	(68)

<b>Funding Available</b>	<b>22,795</b>	<b>26,579</b>	<b>3,784</b>
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**TABLE 5b – Changes in Basic Entitlement**

<b>Basic Entitlement</b>	<b>2020-21</b>	<b>2021-22</b>	<b>Difference</b>
Increase in Numbers	602	699	97
Cash Value £	4,033	4,699	666
Total Allocation £	2,426,114	3,282,224	856,109

#### **High Needs Funding Allocations to Schools**

- 4.3 The number of commissioned places have been agreed with special schools and resourced units for September 2021. These are included below in table 6a, 6b and 6c.

**TABLE 6a : Special School Places Commissioned September 2021**

	<b>Current No's</b>	<b>Commissioned No's</b>
<b>Special Schools</b>	<b>Sep-20</b>	<b>Sep-21</b>
Hawthorns	137	140
Thomas Ashton	88	90
Oakdale	137	130
Cromwell High	96	116
Samuel Laycock	176	170
<b>Total</b>	<b>634</b>	<b>646</b>

**TABLE 6b: AP Places Commissioned Sept 2021**

	<b>Current No's</b>	<b>Commissioned No's</b>
<b>Pupil Referral Service</b>	<b>Sep-20</b>	<b>Sep-21</b>
Tameside PRS	130	130

**TABLE 6c: Resourced Base Places Commissioned September 2021**

	<b>Current No's</b>	<b>Commissioned No's</b>
<b>Resourced Units</b>	<b>Sep-20</b>	<b>Sep-21</b>
Oakfield	13	8
Russel Scott	5	6
Linden Road	4	4
St John Fisher	15	15
Hyde	2	2
St Thomas Moore	18	19
<b>Total</b>	<b>57</b>	<b>54</b>

- 4.4 As part of the High Needs Review the LA has identified a review of Top Up rates will take place. This is an extensive piece of work of which the first stage was the launch of the Matching Need to Provision (MNPT) document. Future stages will include mapping current pupils onto the new document and costing these placements. Data is currently be collected from special schools to start this process. It expected any change to funding will not happen until April 2022, therefore the current rates will remain in place for the financial year 2021-22 and can be found at **Appendix C and Appendix D**.
- 4.5 In September 2019, the DfE published its intentions to carry out a SEND review. There have been delays due to Covid but it is expected a consultation process will commence early in

the New Year with the intention any outcome will inform 2022-23 funding. Following the SEND reforms introduced in 2014 the review will look at:

- How the system has evolved
- How the system can provide high quality support for SEND pupils as they prepare for adulthood including employment
- Support parents in making decisions on their pupils support
- Making sure support is joined up across health, care and education services
- Striking the balance between mainstream and specialist places
- Understanding what is behind the rise in Educations, Health and Care Plans (EHCP's)

## 5. EARLY YEARS BLOCK

- 5.1 Table 7 provides the current funding settlement for Early Years for 2020-21 and 2021-22. The settlement is based on the Schools, Early Years and Alternative Provision censuses data from January 2020 and will be updated based on January 2021 and January 2022 census data.

**TABLE 7 – Early Years Funding**

Early Years Funding Streams	2020-21 Early Years Allocation at Nov 2020 £000	2021-22 Provisional Early Years Allocation £000	Increase / (Decrease) in Funding £000
3 & 4 Year Old Universal Entitlement	9,693	9,819	127
3 & 4 Year Old Extended Entitlement	4,501	4,560	59
2 Year Old Entitlement	2,863	2,906	43
Early Years Pupil Premium (EYPP)	136	136	0
Disability Access Fund (DAF)	69	73	4
<b>Total</b>	<b>17,261</b>	<b>17,494</b>	<b>232</b>

- 5.2 The increased funding for 3 and 4 Year Olds and 2 Year Olds is as a result of an increase in the rates. The rate the LA is funded on for 3 and 4 year olds has increased by £0.06 from 4.59 to 4.65 and by £0.08 for 2 year olds from £5.38 to £5.46.
- 5.3 Consultation will need to be held with Early Years providers regarding the increase and therefore an additional Schools Forum meeting will be required to agree the rates of allocation for this element of funding. A report will be completed for this additional meeting with further information on the funding arrangements for the LA and for providers.

## 6. CENTRAL SCHOOL SERVICES BLOCK (CSSB)

- 6.1 This block was introduced in 2018-19 to fund statutory duties the LA undertakes for both maintained schools and academies. The CSSB brings together:
- Funding previously allocated through the retained duties element of the Education Services Grant (ESG)
  - Funding for ongoing central function such as admissions which were previously top sliced from the schools block
  - Residual funding for historic commitments of which there are none for Tameside MBC



- 6.2 The total allocation to the LA for 2021-22 is £1.114m. This is based on a per pupil element of £29.28 for ongoing duties (i.e. Admissions, Schools Forum, Copyright Licenses, former ESG duties) totalling £1.018m. An additional unit of funding for centrally employed teachers of £2.77 has been included to fund the pension increase (formally funded through the Teacher's Pension Grant) for central teachers providing £0.096m of funding.
- 6.3 National Copyright School Licenses are also funded from this block and the amount for 2021-22 is £0.180m.
- 6.4 The DSG operational guidance for 2021-22 requires the LA to formally request Schools Forum approval for the central retention of funding for the following:
- School Admissions
  - Servicing of Schools Forum
  - Contribution to responsibilities that LAs hold for all schools (formally the retained duties element of the ESG)
- 6.5 The budgets for the above are still being worked on but the costs overall are currently in excess of £1.069m. There is £0.838m available to support these costs, which Schools' Forum is requested to approve.

## **7. RECOMMENDATIONS**

- 7.1 As set out at the front of the report.

## APPENDIX A

Rates for the Mainstream Funding Formula	Rates for Primary Sector 2021-21 £	Rates for Secondary Sector 2021-22 £
<b>Basic Entitlement (AWPU)</b>		
Primary	3,123.00	
Secondary - KS3		4,404.00
Secondary - KS4		4,963.00
<b>Deprivation</b>		
FSM	460.00	460.00
FSM6	575.00	840.00
IDACI band F	215.00	310.00
IDACI band E	260.00	415.00
IDACI band D	410.00	580.00
IDACI band C	445.00	630.00
IDACI band B	475.00	680.00
IDACI band A	620.00	865.00
<b>English as an Additional Language (EAL)</b>	550.00	1,485.00
<b>Low Prior Attainment</b>	1,095.00	1,660.00
<b>Mobility</b>	900.00	1,290.00
<b>Minimum Funding Level</b>	4,180.00	5,415.00
<b>Lump Sum</b>	117,800.00	117,800.00

## APPENDIX B

### TAMESIDE MBC SCHOOLS AND ACADEMY PUPIL GROWTH CRITERIA

Growth funding at Tameside is provided to support mainstream Schools and Academies schools with significant in year pupil growth. In order for a school to receive growth funding there must be prior approval with the Local Authority (LA), funding will be provided to Schools that agreed the additional intake with the Local Authority in advance. If schools choose to admit additional pupils without agreement with the Local Authority they will not be eligible to access this funding, the rationale for this is that the Schools concerned are helping to address a Borough wide demand for places coordinated through the LA

The growth fund can only be used to:

- Support planned growth in pre-16 pupil numbers to meet basic need whether this is a continued growth in numbers or a one off bulge class.
- Support additional classes needed to meet the infant class size regulation;
- Meet the cost of new schools – This includes growing schools that have opened in the last 7 years and don't yet have pupils in every year group; and diseconomies funding for new schools that will incur additional start up and diseconomy of scale costs.

#### **Explicit Growth**

Growth will be funded on AWPU rates for mainstream Maintained and Academy schools in line with the Tameside rates agreed at Schools Forum. This will be a different rate in primary schools and secondary schools. Both one off bulge classes and planned continued growth classes will be funded using the same principles. The allocation to schools will be based on the increase in capacity adjusted for actual September intake numbers multiplied by 7/12th of the Basic Amount per Pupil (to cover September to March). Actual numbers will be taken from the October census.

Where a school has agreed planned growth there should be a minimum of 5 or more pupils before growth funding is allocated, but a minimum level of funding of 15 pupils will be funded to ensure that the school does not face financial difficulty. Funding will be capped at 30 pupils.

There are two schools in receipt of historic growth funding for a one off bulge class where, as agreed at Schools Forum in June 2019, these two schools will continue to receive £32,640 as per the historic criteria until the class affected passes through the school, the historic arrangement is as follows:

#### *Historic Arrangement – Explicit Growth*

Schools that agreed to take a one year only Bulge class of 30 children within the last 7 years, where the Bulge class concerned has less than 20 children on roll. This would only apply to Schools that agreed to take the bulge class with the Council in advance and where there is only one Bulge class in the School meaning it was not possible to combine classes across year groups. This would not apply where Schools have chosen to admit additional children without agreement with the Council. The rationale for this is that the Schools concerned are helping to address an area wide demand for places coordinated through the Council.

#### **Implicit Growth**

Implicit Growth is the funding method that is applied for new and growing schools. This requires the LA to adjust pupil numbers when calculating the funding for the expected September intake.

#### **Diseconomies Funding (Maintained Schools Only)**

This funding is specifically for newly established schools whose costs cannot be met through the normal schools block funding due to not having every year group open. The diseconomies funding provides funding in two elements as the school grows: Non-staffing Resources and a Leadership Grant. These titles reflect the basis on which the funding is calculated, but the grant can be spent on any legitimate purpose of the school.

**Non-staffing Resources** – This is paid each year that the school builds up to capacity for each new pupil expected to be on roll and is not revisited to reflect actual pupil numbers and is taken from the admissions data. It is paid at the following rates:

- £250 for each new mainstream pupil in the primary phase (year's R - 6)
- £500 for each new mainstream pupil in the secondary & 16 to 19 phases (years 7 - 13)

**Leadership Grant** - is paid annually based on the number of year groups that the school will ultimately have that do not yet have pupils. The amount paid to mainstream schools with pupils aged 5 to 15 each year depends on how many year groups (cohorts) are empty, and is set out in the table below.

Empty Years	6+	5	4	3	2	1	Max
Primary	£80,500	£67,500	£54,000	£40,500	£27,000	£13,500	£283,000
Secondary			£125,000	£93,500	£62,500	£31,000	£312,000
All through	£125,000	£93,500	£62,500	£54,000	£40,500	£27,000	£402,500

# Secondary and all through funding is regardless of whether the school plans to have a sixth form

# APPENDIX C

## Special School Top Up Rates

Banding	Description	Severity	Allocation £
PMLD-1	Profound and Multiple Learning Difficulties Level 1	1	12,754
PMLD-2	Profound and Multiple Learning Difficulties Level 2	2	19,131
PMLD-3	Profound and Multiple Learning Difficulties Level 3	3	32,753
ASC-1	Autism Spectrum Condition Level 1	1	11,479
ASC-2	Autism Spectrum Condition Level 2	2	17,218
ASC-3	Autism Spectrum Condition Level 3	3	31,477
SLD-1	Severe Learning Difficulties Level 1	1	10,203
SLD-2	Severe Learning Difficulties Level 2	2	15,305
BESD-1	Behavioural, Emotional and Social Difficulties Level 1	1	9,566
BESD-2	Behavioural, Emotional and Social Difficulties Level 2	2	14,348
MLD-1	Moderate Learning Difficulties Level 1	1	5,102
MLD-2	Moderate Learning Difficulties Level 2	1	7,652

## Summarised Banding Descriptions

### PMLD- Profound and Multiple Learning Difficulties

#### Level 1

The pupil has PMLD and requires 1-1 support for their personal care and support for accessing learning. A multi-disciplinary plan is required to ensure all the pupils' needs are met.

#### Level 2

Due to complexity of needs e.g. blind, deaf, severe epilepsy, personal care needs the pupil may require 2-1 support for some of the day.

#### Level 3

Needs greater than Level 2

### ASC- Autism Spectrum Condition

#### Level 1

The pupil has been diagnosed with ASC. The environment is resourced to meet need. A plan around the child is used to ensure strategies and approaches are consistent at school and at home. External agencies offer guidance on strategies to be implemented.

#### Level 2

The pupil has additional needs that may warrant individual support for some of the day e.g. challenging/high risk behaviour, medical needs.

#### Level 3

Needs greater than Level 2

## **SLD- Severe Learning Difficulties**

### **Level 1**

The pupil has been identified as having SLD. The environment is resourced to facilitate effective communication. There is also support to develop the pupils attention and concentration skills throughout the school day. External agencies offer advice and frequent input to the teacher, teaching assistance and parents.

### **Level 2**

The pupil has additional needs that may warrant individual support for some of the day e.g. specific care needs- tube feeding, medical needs- epilepsy and challenging/ high risk behaviour.

## **BESD- Behavioural, Emotional and Social Difficulties**

### **Level 1:**

The pupil has been identified as having BESD that are impacting on their ability to learn. They may also have an additional need e.g. MLD, speech and language needs.

### **Level 2:**

The pupil has been identified as having BESD. There is evidence that the need is long term and that a multi-agency approach is required.

## **MLD - Moderate Learning Difficulties**

### **Level 1:**

The pupil has been identified as having MLD and may require support from an external agency e.g. speech and language therapist.

### **Level 2:**

The pupil has been identified as having MLD, a secondary category has also been recognised e.g. Specific language difficulty, behavioural difficulties, hearing impairment, visual impairment, physical difficulties or motor impairment.

## APPENDIX D

### High Needs Top Rates - Mainstream

Band	Equivalent TA Hours from Assessment	Funding Allocation £	Equivalent TA Hours Being Funded @ £439.12
##	1-14	0	0.0
1	14.1-17	1,317	3.0
2	17.1-20	2,635	6.0
3	20.1-24	4,391	10.0
4	24 +	6,587	15.0

## - Assessments of equivalent Teaching Assistant Hours of less than 14 hours do not attract top up funding as these should be funded from schools Notional SEN.

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# Agenda Item 6

<b>Report to:</b>	<b>SCHOOLS' FORUM</b>
<b>Date:</b>	14 January 2021
<b>Reporting Officer:</b>	Tim Bowman – Assistant Director, Education Tracy Brennand – Assistant Director, People and Workforce Development Tom Wilkinson – Assistant Director, Finance
<b>Subject:</b>	<b>DE-DELEGATION AND RISK PROTECTION ARRANGEMENT (RPA) 2021-22</b>
<b>Report Summary:</b>	A report on the de-delegation services and risk protection arrangement (RPA) for 2021-22.
<b>Recommendations:</b>	Members of the Schools' Forum are requested to note the contents of the report. Members of the Primary and Secondary sectors are required to vote separately on the de-delegation of funding for each of the following services: <ul style="list-style-type: none"><li>• Trade Union Support</li><li>• Schools Contingency</li></ul>
<b>Corporate Plan:</b>	Education finances significantly support the Starting Well agenda to provide the very best start in life where children are ready to learn and encouraged to thrive and develop, and supports Aspiration and Hope through learning and moving with confidence from childhood to adulthood.
<b>Policy Implications:</b>	In line with financial and policy framework.
<b>Financial Implications:</b> <b>(Authorised by the statutory Section 151 Officer &amp; Chief Finance Officer)</b>	The Dedicated Schools Grant is a ring fenced grant solely for the purposes of schools and pupil related expenditure from which de-delegation decisions are funded. Any cost pressure created as a result of schools deciding not to de-delegate funding for Trade Union Support will have to be managed by the Council as stated in Section 4.5 of this report.
<b>Legal Implications:</b> <b>(Authorised by the Borough Solicitor)</b>	The legal implications in relation to the Employment Relations Act 1999, the Trade Union Labour Relations (Consolidation) Act 1992 and the Safety Representatives and Safety Committees Regulations 1997 are set out in the main body of this report together with the benefits of the SLA enabling union representation at a local level.
<b>Risk Management:</b>	The correct accounting treatment of the Dedicated Schools Grant is a condition of the grant and procedures exist in budget monitoring and the closure of accounts to ensure that this is achieved. These will be subject to regular review.
<b>Access to Information:</b>	<b>NON-CONFIDENTIAL</b>  <b>This report does not contain information which warrants its consideration in the absence of the Press or members of the public.</b>

**Background Information:**

The background papers relating to this report can be inspected by contacting Bernadette Wilde – Head of Human Resources (HR) Operations and Workforce Strategy, People and Workforce Development



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## **1. INTRODUCTION**

- 1.1 De-delegated funds are a deduction from a school's budget share and are held centrally to fund relevant services. De-delegation can only apply to maintained primary and secondary school budgets. Decisions on de-delegation have to be taken at the Schools Forum. The Primary and Secondary sector vote separately in relation to each of the services, following discussion with their wider stakeholder colleagues.
- 1.2 Academies do not have the option of de-delegating but can procure the service as a traded service. The charge would be on the same basis as de-delegation.
- 1.3 Decisions made to de-delegate are for one year only, so an annual vote is required. Schools Forum members for the primary maintained schools and secondary maintained schools must decide separately for each sector whether the specific service should be provided centrally and therefore funding de-delegated. The decision will apply to all maintained mainstream schools in that sector.

## **2. TRADE UNION SUPPORT**

- 2.1 Tameside schools have for many years had access to a Trade Union Support SLA that provides the services of the main trade unions and professional associations at a local level that support the various public sector employee groups across the whole school workforce within Tameside. This includes recognition of the main teacher and headteacher trade union/professional associations.
- 2.2 This SLA provides schools with a centrally coordinated Trade Union service to support a school and its leaders' statutory obligations as contained within the Employment Relations Act 1999, the Trade Union Labour Relations (Consolidation) Act 1992 and the Safety Representatives and Safety Committees Regulations 1997. In particular, it provides employees within schools, school leaders and Governing Bodies with support and expertise in employment related matters at a local level, helping to resolve workplace issues before they become too serious for the school. The support provides a significant and positive contribution to school leaders with their management of change; any large-scale reorganisation school leaders may wish to implement; and the implementation of employment related policies and procedures, enabling governing bodies to adopt and implement these policies and procedures for school based staff quickly and easily.
- 2.3 The provision of facilities for full time union officers has been determined to be the most efficient and effective way for large employers to manage the number of complex and challenging employment related matters and ensure they are able to fulfil their statutory obligations to consult with employees and their representatives.
- 2.4 Local trade union representatives undertake a variety of roles. They should work collaboratively with school leaders and managers; communicate with union members; liaise with relevant trade unions at a regional and national level; and assist in the handling of individual matters concerning school-based employees, such as matters relating to performance, capability, disciplinary, grievance and organisational change. Their performance is overseen by senior council officers; ensuring work is targeted and directed to where local needs for schools are best met.
- 2.5 There are positive benefits for employees, school leaders and union members in encouraging the efficient performance of a local union representatives' work, for example in aiding the resolution of problems and conflicts at work in a timely manner and having full knowledge and understanding of local issues to aid and improve working relationships.

- 2.6 The role can be complex and having local knowledge and understanding of the Tameside school campus's aims and aspirations for our students in the borough brings many benefits in ensuring positive and collaborative employee relations within a school's workforce.
- 2.7 In particular, the support and collaborative working between local trade union representatives, school leaders and school-based employees has never been more prevalent than during 2020 whilst schools have been '*living with COVID*'. Local trade union representatives has supported schools to react appropriately and quickly when dealing with constant change and when implementing safe, sensible and pragmatic decisions in terms of pupils, staff, parents and visitors wellbeing.
- 2.8 The Council's Facilities Agreements outline the statutory provisions and facilities for trade union duties and activities, along with the agreement for the provision and payment of full time workplace union officers. This arrangement is consistent with other Councils in the Greater Manchester region and across the country.
- 2.9 ACAS identify in summary the following areas of activity for trade union representatives to be involved with:
- Terms and conditions of employment, or the physical conditions in which workers are required to work;
  - Engagement/non-engagement, or termination or suspension of employment, or the duties of employment of one or more workers;
  - Allocation of work or the duties of employment as between workers, or groups of workers;
  - Matters of discipline;
  - Trade union membership/non membership/facilities for trade union representatives;
  - Machinery for negotiation or consultation and other procedures.
- 2.10 A summary of the benefits for schools for access to local representatives are as follows:
- Time and resources directed solely to Tameside schools' priorities, with less competing and conflicting demands;
  - Progression of employee relations issues within schools undertaken and concluded in a timely manner;
  - Full knowledge and understanding of local needs and pressures;
  - Progression of school employment procedure review and implementation undertaken more speedily;
  - The development of effective, collaborative working relationships to enable smoother progression of school based organisational matters, such as school staffing reorganisation and health and safety matters;
  - Locally based resulting in easier access and speedier responses to requests for service;
  - Direct access to senior officers within the Council's Children's Services Directorate, acting as mandate and lobbyist for school leaders/school based staff and school related matters.
- 2.11 The Council reviews year on year the number of local trade union officers and associated expenditure in relation to this SLA, with the majority of expenditure covering purely employment costs (salary plus NI and/or pension contributions where appropriate). For 2021-22, the support offered to schools will be just over 3 full time officer time covering all teaching and non-teaching staff across the whole Tameside campus. It remains the Council's position to seek full cost recovery.
- 2.12 Benchmarking exercises with neighbouring authorities are attempted regularly and this year was no exception. Whilst it is recognised that receiving responses to benchmarking exercises can be problematic due to the conflicting priorities of our neighbouring authorities and their capacity to complete, what is clear is that the majority of respondents offer a TU Support SLA under de-delegation, with the large proportion offering both teaching and non-

teaching recognised trade unions. This approach remains appropriate for ourselves, taking account of recent data received from our local Tameside UNISON branch, which advises they support around 1400 school-based UNISON members within our Tameside school campus.

- 2.13 Clarity has been sought with regard to the difference of service provision between local full time officials and school based shop stewards and how the SLA offer aligns to the following document:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/410276/advice\\_on\\_trade\\_union\\_facility\\_time\\_in\\_schools\\_090315.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/410276/advice_on_trade_union_facility_time_in_schools_090315.pdf)

More specifically, page 4, bullet point no 3 under the section headed 'key points' where it states '*All union representatives who receive facility time to represent members employed in schools should spend the majority of their working hours carrying out their main duties as school employees*'.

- 2.14 In the main shop stewards based in schools act as a communication link between the local full time representative and relevant school based trade union members with regard to;
- generic trade union communications
  - updating of any trade union notice boards on site
  - publicising of trade union membership to new members of staff.
- 2.15 Full time representatives will be invited to attend meetings of a more strategic approach to represent at a holistic level the schools workforce, with examples including;
- Headteachers Scenario Planning meeting,
  - Schools Forum,
  - School and council led employee consultation meetings that may be discussing policy development or acadamisisation (TUPE transfer) matters.

It would be rare for a local shop steward to represent a staff member in any individual formal employment matter. The purchase of this SLA ensures your workforce are effectively supported and represented during processes which staff often find very distressing and challenging, enabling your timeframes to be maintained and clear lines of communication to remain open.

- 2.16 Historically, having local representatives employed within a school and then having a proportion of their timetable set aside for trade union duties covering all Tameside schools became problematic for the employing school leader, trying to balance the employee's trade union activities and competing demands for time, including travelling time, against the employee's normal school business activity. Accordingly, it was decided some years ago to second staff on a full time basis, with the Council providing management oversight and thereby releasing individual schools from having to manage these conflicting demands. It is felt this model of delivery continues to be the best solution for schools.

### **3. TRADE UNION SUPPORT – FINANCIAL CONSIDERATIONS**

- 3.1 The methodology for calculating the cost of this SLA is a price per pupil rate, based on total costs divided by total pupil numbers of the **actual** schools that bought the SLA the previous financial year, including academy schools.
- 3.2 Taking the above methodology, the de-delegation rate for the present financial year 2020-21, which maintained schools voted on this time last year, was £6.47 per pupil.

- 3.3 This was calculated taking the combined pupil number on roll (26,934) of the 80% of schools that had bought in the year before (78 out of 98 schools) and dividing this number into the total costs for 2020-21 (£174,350).
- 3.4 However, the final outcome for 2020-21 was that secondary maintained schools chose to de-delegate, whereas maintained primary schools chose not to de-delegate, with the eventual outcome being only 57 out of 98 schools across the borough bought into this SLA for 2020-21 covering a combined pupil number on role of 23,500. This resulted in a short fall in cost recovery of £22k for the Council. This is a position the Council cannot continue to find itself in, at a time when the Council is facing significant budget pressures due to the pandemic and future outlook for funding with the latest medium term financial plan showing a cumulative budget gap of £34m. It remains important that the Council achieve full cost recovery to enable this service to continue to be offered as an SLA.
- 3.5 The total cost for providing the Trade Union Support SLA for schools for the forthcoming financial year 2021-22 is £180,890. Continuing with the same cost recovery methodology and based on the combined pupil number on role of the 57 schools that have presently bought the SLA (23,500), it is calculated that the price per pupil rate would increase to £7.70 per pupil.
- 3.6 What is clear is that the more schools that buy into this SLA the lower the cost is for all schools. Therefore, taking this principal, a number of projections have been calculated for 2021-22, based on different scenarios:

Scenario A	Pupil roll number of 57 schools that bought in 2020-21 (23,500 based on NOR from Oct 19 census)	£7.70 per pupil rate
Scenario B	Pupil roll number of all 98 schools across the borough (35,492 based on NOR from Oct 19 census)	£5.10 per pupil rate
Scenario C	Pupil roll number of <u>all</u> maintained schools (17,927 based on NOR from Oct 19 census)	£10.09 per pupil rate
Scenario D	Pupil roll number of <u>all</u> maintained schools plus Academies that actually bought back 2020-21 (29,506 based on NOR from Oct 19 census)	£6.13 per pupil rate

- 3.7 In summary, the Trade Union Support SLA requires full cost recovery for the forthcoming financial year, due to the Council's present deficit budget position. Non-achievement of full cost recovery will result in the need for a very urgent review of the facilities afforded through the Facilities Agreement, which would most probably result in a significant reduction of the offer made available to schools and the schools workforce for the forthcoming financial year.
- 3.8 Noting the scenarios outlined at paragraph 3.6 of this report, the more schools that buy into this SLA, the lower the cost it is for all schools. Schools' Forum voting members are asked to consider the significant amount of positive, collaborative working the purchase of this SLA brings to schools, in particular the support it demonstrates to your staff; enabling them access readily available local trade union representatives that are well knowledgeable of local school based issues. School based staff continue to experience one of their most challenging years and ensuring they have access to this provision demonstrates your commitment to them and can also ensure a smoother employee relations path for school leaders in matters of change and employment.
- 3.9 The decision for Schools' Forum is needed as to whether it supports de-delegation from schools budgets for Trade Union support. If Schools' Forum support de-delegation, it is recommended that scenario D at paragraph 3.6 is the preferred option. However, should

either of the sectors choose not to de-delegate, action will need to be taken to review the current SLA as discussed at paragraph 4.5.

#### **4. IMPLICATIONS OF NOT DE-DELEGATING TRADE UNION SUPPORT**

- 4.1 Employees will still have a statutory right to trade union representation and school leaders will still be required to undertake its statutory obligations as contained within the Employment Relations Act 1999, the Trade Union Labour Relations (Consolidation) Act 1992 and the Safety Representatives and Safety Committees Regulations 1997.
- 4.2 Where trade union support is required by management or employees, school leaders will need to seek that support at a regional level. Due to the competing demands of regional resources, which are required to support employers and workforces across a variety of public sector disciplines, not just schools, often covering the whole of the North West as a minimum, it is likely this will result in delays in accessing support. This will negatively impact on speedy resolutions to workplace issues and timely progression of employment policies and practices for schools and its leaders.
- 4.3 It is highly likely that any support available will not have full knowledge and understanding of a school's local needs.
- 4.4 It may mean school leaders will have full responsibility for the co-ordination and execution of necessary workforce consultation on some local school related matters. Furthermore, any meetings that require attendance from a variety of trade unions will become more problematic logistically to arrange at a regional level. This may result in school leaders having to hold a number of separate meetings with individual trade unions involved, resulting in an increased time pressure for school leaders. Local trade union representatives work well together in the use of diary management, attendance at meetings and the sharing of information. It is highly unlikely that coordination and joint working across different trade unions would be as prevalent at a regional level.
- 4.5 Any short fall in recovery of costs for the Council will result in the need of a very urgent and significant review of the facilities afforded through the Facilities Agreement, which would most probably result in a reduction of the offer made available to schools for the forthcoming financial year. This is because of the impact on the already concerning estimated budget gap of the Council for 2021-22.

#### **5. CONTINGENCY**

- 5.1 In 2020-21 mainstream secondary maintained schools voted to de-delegate budget for Contingency.
- 5.2 The contingency budget has been established to support those schools facing a deficit budget position or to support the DSG against any future pressures where schools are closing or are forced to convert to academy leaving a deficit balance, as this would need to be funded from DSG. It should be noted that a deficit balance transfers to the Academy Trust where the transfer to Academy is a convertor route, i.e. the School choses via an Academy order to covert to Academy. The balance remains a DSG issue where the schools are a forced conversion as part of a Sponsored Academy conversion route required by the Secretary of State.
- 5.3 Where a school is in deficit or facing deficit in the next financial year they will be subject to a review in line with the School Deficit process as outlined within the Tameside Scheme Financing, the LA will work very closely with the school and its Governors to manage the deficit and ensure action is taken to address it.

- 5.4 It is also anticipated that schools struggling to manage deficits where financial issues are beyond the control or influence of the Headteacher where significant action has been taken to bring the plan back into balance and where further cuts are likely to impact on the attainment of the pupils in the school.
- 5.5 It's acknowledged that whilst schools are facing financial pressures, it's prudent to establish a contingency budget to protect future pressures against the DSG which will affect all schools. The aim is to create a contingency fund of approximately £120k (approximately 10% of projected deficit balances).
- 5.6 As previously agreed by Schools' Forum the allocation follow the principles below:
- Allocations from the fund should not be made until the fund reaches the suggested level.
  - Allocations should be sector specific unless all sectors agree to contribute to the fund.
  - Decision on approvals from the fund will be agreed by Assistant Director Education and the Assistant Director Finance.
  - There should be a school sector representative as part of the approval process but the representation should not be from the requesting school.
  - When a school is facing financial difficulty a request should be submitted outlining their case for consideration.
  - Allocations will only be made where sufficient funds are available.
- 5.7 Support will be provided for schools in deficit and therefore in financial difficulty through the normal deficit recovery process, in line with Tameside's Scheme of Financing for schools managing licenced deficits.
- 5.8 Alongside this, support will be provided to schools closing with deficit balances to minimise the impact and potential pressure on the DSG.
- 5.9 The de-delegation rate for Contingency for 2021-22 is £5.81 per pupil. Agreement is sought from both the Primary and Secondary sectors to de-delegate in 2021-22. Should both sectors choose to contribute, based on the October 2020 census data, this would result in the following contribution to Contingency:
- Mainstream Primary Maintained Schools - £67k
  - Mainstream Secondary Maintained Schools - £33k
- 5.10 There have been no requests made to access the contingency funds of £65k to date. The fund will be carried forward into 2021-22.

## **6. RISK PROTECTION ARRANGEMENT (RPA)**

- 6.1 From April 2020 local authority maintained schools have been able to join the risk protection arrangement (RPA), which had previously only been available to academies.
- 6.2 Where schools have opted into this arrangement in 2020-21, the membership will continue on an ongoing basis. Should a school choose to opt out of the arrangement they would need to make their own risk protection arrangements.
- 6.3 The cost of RPA for 2021-22 is £19 per pupil. The DfE is operating a process whereby a deduction is made for the appropriate value, from the local authorities DSG. The LA plan to treat this in the same way as de-delegation items and allocate to the relevant schools on this basis. It should be noted that nursery numbers are included to calculate the charge for the primary sector (where relevant).
- 6.4 Further information about the scheme can be found through the following link:



## **7. RECOMMENDATIONS**

- 7.1 As set out at the front of the report.

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<b>Report to:</b>	<b>SCHOOLS' FORUM</b>
<b>Date:</b>	14 January 2021
<b>Reporting Officer:</b>	Tom Wilkinson – Assistant Director, Finance Tim Bowman – Assistant Director, Education
<b>Subject:</b>	<b>EXCLUDED PUPILS FUNDING RECOVERY PROCESS AND REDETERMINATION OF BUDGETS</b>
<b>Report Summary:</b>	A report on the process for the redetermination of budgets where pupils have been excluded which will be implemented from 1 April 2021.
<b>Recommendations:</b>	Schools' Forum are asked to support the approach outlined in relation to the administration of funding flows.
<b>Corporate Plan:</b>	Education finances significantly support the Starting Well agenda to provide the very best start in life where children are ready to learn and encouraged to thrive and develop, and supports Aspiration and Hope through learning and moving with confidence from childhood to adulthood.
<b>Policy Implications:</b>	In line with financial and policy framework.
<b>Financial Implications:</b> <b>(Authorised by the statutory Section 151 Officer &amp; Chief Finance Officer)</b>	<p>The Dedicated Schools Grant is a ring fenced grant solely for the purposes of schools and pupil related expenditure.</p> <p>The funding regulations confirm that where a pupil is excluded the funding should follow the child; the guidance outlines the approach that should be taken by Local Authorities.</p> <p>The most cost effective method of adjusting the funding is using the average Tameside school values.</p>
<b>Legal Implications:</b> <b>(Authorised by the Borough Solicitor)</b>	As set out in the financial implications it is critical that the conditions in the funding regulations are adhered to which is explained in the main body of the report.
<b>Risk Management:</b>	The correct accounting treatment of the Dedicated Schools Grant is a condition of the grant and procedures exist in budget monitoring and the closure of accounts to ensure that this is achieved. These will be subject to regular review.
<b>Access to Information:</b>	<b>NON-CONFIDENTIAL</b>  <b>This report does not contain information which warrants its consideration in the absence of the Press or members of the public.</b>
<b>Background Information:</b>	The background papers relating to this report can be inspected by contacting Christine Mullins – Finance Business Partner, Financial Management, Children's and Safeguarding Services



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## **1. INTRODUCTION**

- 1.1 This paper outlines for Schools' Forum an overview of the recommended changes to the exclusions funding process, highlighting the changes to the current arrangements.
- 1.2 The current process removes budget based on Basic Entitlement (AWPU), pro-rata to the relevant date of exclusion for the financial year. This budget is then allocated to the Pupil Referral Service (PRS) as in most cases this is the provision where the excluded pupil will be placed.
- 1.3 The Schools Revenue Funding Operational guidance outlines where pupils are excluded, funding should flow in-year from the school that has excluded the pupil to the provision that takes responsibility for the pupil. If a school subsequently admits a pupil who has been permanently excluded during that financial year, the school should then receive additional funding.
- 1.4 It should be noted that under regulation 22 of the School and Early Years Finance (England) Regulations 2020, any deductions or increases relating to pupil exclusions are not included in the minimum funding guarantee (MFG). A deduction can be made even if it reduces the budget share below the MFG and an increase will be in addition to the MFG.

## **2. FUNDING REGULATIONS**

- 2.1 The Schools Revenue Funding Operational guidance states; where pupils are excluded, funding should flow in-year from the school that has excluded the pupil to the provision that takes responsibility for the pupil. If a school subsequently admits a pupil who has been permanently excluded during that financial year, it should then receive additional funding.
- 2.2 The regulations also apply to pupils who leave a mainstream school for reasons other than permanent exclusion, and are receiving education funded by the local authority other than at a school such as alternative provision, or specialist setting.
- 2.3 The regulations act independently of whether a particular pupil has been on the census in the first place, and whether the school has received funding for them as individuals.
- 2.4 The regulations go onto to state when the local authority (LA) makes any adjustments for excluded or admitted pupils it must deduct from the school's budget the amount within the formula relating to:
  - the age and personal circumstances of that pupil, and
  - pro-rata to the number of complete weeks remaining in the financial year from the 'relevant date'\*
  - The budget share must also be adjusted for the pupil premium on the same basis as the school formula adjustments

\* The 'relevant date' is the sixth school day following the date of permanent exclusion.

## **3. SCHOOLS AND ACADEMIES**

- 3.1 Adjustments to school budgets will be made on a financial year basis and adjustments will include all pupils regardless of whether they have been on the census in the first place, and whether the school has received funding for them, in line with the operational guidance.
- 3.2 Adjustments to both maintained mainstream schools and academies will be treated in the same way.

#### 4. ADMINISTRATION OF SCHOOL BUDGET ADJUSTMENTS

4.1 The following pupil led factors will be included in the funding adjustment to be transferred between settings, and will be the relevant values for primary and secondary sectors;

- Basic Entitlement
- Free School Meals (FSM)
- FSM Ever6
- Education as an Additional Language (EAL) (year 3)

In addition, Pupil Premium funding will be deducted for any pupils who are currently eligible for FSM.

4.2 Due to the nature of schools funding this would mean a different monetary value for each individual school based on the make-up of pupils on roll at the October census point, for the pupil led values. To ensure the amounts are transparent and universally known by all schools and academies, it is proposed that the funding is administered on the 'average' per pupil values across Tameside rather than the individual schools. Table A below gives an overview of the average funding adjustments and the minimum and maximum deductions for individual schools across Tameside (based on 2020/21 funding data).

Table A – Funding Adjustment Values	Primary KS1 & KS2			Secondary KS3			Secondary KS4		
	Avg. £	Min £	Max £	Avg. £	Min £	Max £	Avg. £	Min £	Max £
Basic Entitlement	2,857	2,857	2,857	4,018	4,018	4,018	4,561	4,561	4,561
FSM	104	15	249	85	46	128	85	46	128
FSM6	159	31	352	267	185	371	267	185	371
EAL	43	-	242	25	-	64	25	-	64
<b>Total</b>	<b>3,163</b>	<b>2,903</b>	<b>3,700</b>	<b>4,395</b>	<b>4,249</b>	<b>4,581</b>	<b>4,938</b>	<b>4,792</b>	<b>5,124</b>

4.3 A review of the North West authorities approach was undertaken in September 2019, and all authorities who have included the other pupil led factors, administer using the average per pupil values in agreement with Schools' Forum. Schools' Forum agreement is sought to administer this in the same way at Tameside.

4.4 Pupil Premium reallocations will be made using pupil data from Key to success, where the pupil is eligible. The values based on 2020/21 are

Pupil Premium values	£
Primary	1,355
Secondary	935

4.5 The deductions will be pro rata to the number of complete weeks remaining in the current financial year from the 'relevant date' (the only exception being where the exclusion takes place after 1 April and the pupil would normally have left at the end of the school year).

4.6 The values will be updated accordingly each financial year.

#### 5. ADMITTED PUPIL FUNDING AND REDISTRIBUTION OF FUNDS

5.1 The allocation basis and the cash values outlined in section 4 would be used in the same way to funded admissions of excluded pupils in schools.

- 5.2 Any residual funding once admissions funding has been distributed will be reallocated to the Tameside Pupil Referral Service (TPRS) as in most cases this is the setting where excluded pupils will be placed.
- 5.3 Adjustments to school budgets will take place as and when the schools finance team is notified. A review will then take place on a termly basis before any funding is reallocated to the TPRS.

## **6. INTER AUTHORITY EXCLUSIONS/ADMITTED PUPILS**

- 6.1 The same criteria and calculation will apply between local authorities where a pupil is excluded from a maintained school in one local authority, and is either:
- Subsequently provided with education in the same financial year at a maintained school, or otherwise than at school in a second local authority.
  - subsequently provided with education in the same financial year at a pupil referral unit, or otherwise than at school in a second local authority, and then at a maintained school or otherwise than at school in a third local authority

## **7. ACADEMY SCHOOLS**

- 7.1 The same criteria and calculation will apply where a pupil is excluded from an Academy school. Historically there has been a refusal by some Academy schools in Tameside to pass over funding to the LA where pupils have been excluded, as the regulations stated that the LA had to agree with the Academy to recover the funding on behalf of pupils.
- 7.2 DfE have in more recent years amended the funding agreements with Academy's with an Exclusions agreement that states that Academy Trusts shall, if invited to do so by an LA enter into an agreement in respect of the Academy with that LA which has the effect for exclusions funding as it would if the Academy were a maintained school. This is in accordance with regulation.
- 7.3 It is recommended that all Academy schools in Tameside are invited to enter into an agreement. This will take place in advance of 1 April 2021.

## **8. CONCLUSION**

- 8.1 The funding allocation for exclusions needs to be updated in line with the regulations to take account of other pupil led factors

## **9. RECOMMENDATIONS**

- 9.1 As set out at the front of the report.