



Wirral Schools Forum

Date:	Tuesday, 24 November 2020
Time:	4.00 p.m.
Venue:	Teams Virtual Meeting

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AGENDA

- 1. PROTOCOL FOR VIRTUAL MEETING**
 - This is a public meeting
 - The meeting is recorded for minute taking purposes only
 - Remain on mute unless requested to speak
 - Raise 'hand' to ask a question, or ask a question using Chat
 - Use Chat to vote as not everyone has the hand symbol.
- 2. MINUTES OF THE MEETING HELD ON 29TH SEPTEMBER 2020 (Pages 1 - 6)**
- 3. MATTERS ARISING**
- 4. ALTERNATIVE PROVISION UPDATE (Pages 7 - 14)**
- 5. ESENTIAL CIC UPDATE (Pages 15 - 16)**
- 6. BUDGET MONITORING 2020-21 UPDATE (Pages 17 - 22)**
- 7. DSG DEFICIT MANAGEMENT PLAN UPDATE (Pages 23 - 30)**
- 8. FUNDING FORMULA CONSULTATION OUTCOME (Pages 31 - 34)**
- 9. GROWTH AND FALLING ROLLS FUND (Pages 35 - 42)**

Paper to follow

Paper added 3rd December 2020

- 10. SCHOOLS COST OF COVID-19 SURVEY (Pages 43 - 46)**
- 11. FINANCIAL TRANSPARENCY CHANGES APRIL 2020-21 (Pages 47 - 50)**
- 12. SCHEME FOR FINANCING SCHOOLS UPDATE (Pages 51 - 52)**
- 13. WORKPLAN (Pages 53 - 54)**
- 14. ANY OTHER BUSINESS**

WIRRAL SCHOOLS' FORUM

29th September 2020

MINUTES

Present: Adrian Whiteley (Chair)

Schools Group

L Ayling	R Mahoney
M Bellamy	E Morris
J Bush	M Morris
L Davidson	Cllr Norbury
S Goodwin	L Prescott (Deputy)
C Hughes	D Spencer
H Johnson	K Takashima
T Kelly	J Weise
E McGunigall (Deputy)	

Non-Schools Group

S Davies	N Prance
G Edwards	S Ralph
L Krimou (Deputy)	A Ryecroft

In Attendance:

S Ashley	T Ghosh
Cllr Clements	S Prytherch
J Forsey	S Talbot
C Fenlon	C Thomson
K Frost	

Apologies:

S Bennett	E Longbone
I Harris	A Ramsden
N Lightwing	

Protocols of the Virtual meeting

- Remain on mute unless requested to speak
- Raise 'hand' to ask a question, or ask a question in the chat section
- Use Chat to vote as not everyone has the hand symbol.

1. Election of Chair & Vice Chair

Adrian Whitely was elected as Chair and John Weise was elected as Vice Chair for the 2020-21 academic year.

2. Minutes from the Meeting held on 30th June 2020

The minutes from the meeting were accepted as a true record.

3. Matters Arising

At the June Meeting Forum members requested a report to be presented at Schools Forum in autumn term to highlight the financial impact of Covid-19 on school budgets. It was agreed that a survey to identify all Covid-19 Costs would be sent to all Wirral Headteachers and responses would be reported back to the November meeting. This is to include all costs schools have incurred, not just the costs they have been able to claim back costs for.

4. Home Tuition Service Update

Jackie Forsey updated the Forum on the service provided by the Home Tuition service. The pupil numbers continue to rise. A correction was made to the total pupil numbers for 2019-20 figures from 122 to 180.

Due to the continued pressures on the budget the staffing structure has not taken place, although there have been some small reductions in staffing costs. When the headteacher retires in October a review of the service will be carried out.

Discussions are ongoing with the LA to increase the charge to schools from April 2021 for pupils who remain at the Service for more than 12 weeks.

Groups of pupils have continued to meet at the base during the summer term. Learning Mentors and TAs have worked with pupils to enable successful transition to college.

The Chair thanked Jackie Forsey for her work with the Home Tuition Service.

Resolved

Forum noted the report

5. Early Years Working Group Update

Carol Fenlon provided an update to Forum from the Early Years Working Group:

-

- The current uptake of 3 & 4-year old funded places is 84%.
- The uptake of 2 yr old funded places fell in the summer term as they were not categorised within the 'vulnerable' cohort. Autumn Term uptake is 69% and rising (86% in autumn 2019). Early Years Team are targeting eligible parents.
- There are sufficient early years places within Wirral, but there were 6 closures during Covid-19.

- IPF panel sat in August to review 20 referrals. The Panel paused during the summer term to give the team time to identify whether children were in settings or not during the summer, cases will be reviewed. There is likely to be a strain on this budget as a further 30 referrals have been received this term. The funding can support on average 150 children per annum.
- DAF is reliant on families meeting the criteria and claiming the Disability Living Allowance grant. The data exchange of children with complex needs, under 5, from 0-19 Health Services is enabling better targeting to support parents make this claim and subsequently enable childcare providers to claim DAF.
- Early Years Free entitlement consultation will be launched during the autumn term, which aims to identify is a minimum hourly rate of £4.00 is achievable within the constraints of the funding.

The Chair congratulated the Early Years team on the recognition from the National Day Nurseries Association of their good practice on managing the pandemic during the summer term.

Resolved

Forum noted the report.

6. Schools Budget Monitoring Update 2020-21

Christine Thomson updated Forum on the budget position and variations during the year.

A net deficit of £1.7m. is forecast due to pressures in the High Needs Budget. The deficit from 2019-20 of £1.3m brings the overall DSG deficit to £3m at the end of 2020-21 financial year. A DSG Deficit Management Plan is currently being developed.

The budget has been updated to reflect the Academy recoupment, the Early Years allocations and to identify the growth and falling rolls funds separately. These changes have had a net nil effect on the predicted outturn.

Budget variations are as follows: -

- Early Year budget is expected to balance, but due to Covid-19 the DfE have adjusted the funding mechanism, to ensure Early Years providers were not disadvantaged. There is no indication at present that the change in the funding mechanism will fully cover this cost.
- There are expected underspends on Early Years staffing budget, Schools Forum budget and insurances
- Expected overspend of £2.1m, with all areas overspending due to high demand, except for Support for Sen due to staff vacancies.

Concern was raised about the Independent Special Schools overspend of £931k which is higher than normal. This is due to an increased demand in places.

DSG Deficit Recovery plan is being developed with Stakeholders having already attended meetings. A clear update of the proposals will be provided to the November Forum before consultation.

High needs working group to be arranged before next Forum meeting to discuss the financial elements of the DSG Deficit Recovery Plan. Operational elements will follow. Members requested that there would be enough time to take this back to their cluster meetings (WASH, WiSpHA, and PHCG) before the next Forum Meeting.

The next Forum meeting will be moved to 24th November to allow time for this. Cluster meetings may also need to re-scheduled. A timeline will be provided with the minutes.

Resolved

Forum noted the report

7. Growth and Falling Rolls Fund 2020-21

Christine Thomson provided further information to Forum on the Growth & Falling Rolls criteria proposed at the June meeting:

- The criteria are set within the DfE guidelines and recommendations.
- Separate funds were identified to enable specific criteria for each fund.
- 6.5% threshold was used based on modelling data which compared 2018/19 pupil numbers with 2019/20 pupil numbers.

The table in section 3 provided further information if this percentage threshold was reduced. These are indicative values as we do not have current year data. This identified that the costs increased, but the change in number of schools eligible was negligible, they just received more funding.

A further recommendation was to include a ceiling of £50k for each fund.

There is no requirement that states that

- the funds have to be on a percentage basis
- the funds have to be the same size, although an overspend of one fund can be offset by the underspend of the other.
- the falling rolls fund has to be based on good or outstanding Ofsted rating.

Please Note: since the Forum meeting it has been confirmed that the falling rolls fund is available only for schools judged good or outstanding at their last Ofsted inspection.

Forum asked for time for some further discussion within clusters to query before agreeing the criteria for the allocation of the fund: -

- Which gives a more realistic view on financial challenge, percentages or numbers of children?
- Which gives a better view of the need, one year's growth / shrinkage or school's 3/5 year trends?

- Why should falling rolls fund only be restricted to good/outstanding Ofsted rating i s this ethically correct in our context?
- Should the funds be of the same value?

Resolved

Forum noted the report

Further information to be provided to Headteacher clusters to inform the LA of their preferred criteria, with a further report to be presented at the November Forum Meeting.

8. 2021-22 Funding Formula Consultation

Christine Thomson updated Forum on funding announcements for 2021-22 and the consultation process for mainstream schools and academies.

The DfE's announcement in July 2020 included the minimum funding levels for 2021-22, updated IDACI data, TPG & TPECG rolled into the NFF and the freedom to set the MFG between +0.5% & +2%.

The consultation will seek the views of schools on: -

- Setting the MFG at +0.5%, +1.25% or 2%. Capping may be required for the higher the MFG is set.
- Usage of any funding available after the formula has been applied.

Forum members would prefer modelling of the formula to aid their responses to the consultation. This will be indicative as it will be based on 2019-20 pupil data.

Resolved

Forum noted the report

Forum agreed that associated charges for the consultation can be charged to the Schools Forum budget.

9. Update on School Balances and Deficit Position

Sue Ashley confirmed that the school balances as at 31st March 2020 were £7.9m. At budget setting schools provide 3-year projections, which tend to be on the conservative side. There continues to be a general downward trend going forward with an overall deficit in March 2022 if no action is taken. Figures will be reviewed after period 6 monitoring.

There are currently 6 schools working through a licenced deficit and 6 schools in a notice of concern.

Due to additional funding this year there are fewer primary schools going into deficit by March 2022, but challenges still remain for special schools.

Schools are continually reviewing their income and spend, although Covid-19 has made it difficult this year.

On a positive note additional funding in the DSG for 2021-22 funding period should ease the pressures for some schools going forward.

Resolved

Forum noted the report and will continue to monitor school balances

10. Schools Forum Membership Update

Sue Ashley updated Forum on the current membership of the Forum. There are 3 new members, 3 vacancies to be filled, along with a further 3 due to become vacant before the end of the year. A full list of the membership was included for reference.

Resolved

Forum noted the report

11. Operational Guidance for Schools Forums

The operational guidance is for noting.

12. Workplan

The workplan was provided for information.

Tuesday 24th November 2020 confirmed (**Note date change**)

Tuesday 19th January 2021 (dependent on APT return)

Tuesday 11th May 2021

Tuesday 29th June 2021

HT Cluster meetings to be adjusted accordingly to fit in with the High Needs Working group, formula consultation and growth and falling rolls fund modelling and views, to enable reports can be tabled at the November meeting

13. Any Other Business

There was no other business.

RE-SHAPING THE ALTERNATIVE EDUCATION LANDSCAPE IN WIRRAL

REPORT FOR SCHOOLS FORUM NOVEMBER 2020

PART 1: WIRRAL COMMISSIONED ALTERNATIVE EDUCATION

The academic year 2019/20 heralded a new way of managing the education of permanently excluded students in Wirral; the closure of Emslie Morgan Academy enabled us to pilot a range of provisions commissioned through Progress – Schools Ltd. in order to further investigate and innovate educational provision for students who are permanently excluded and who, for whatever reason, cannot be reintegrated back into mainstream school.

Obviously, the Covid-19 pandemic and the subsequent lockdown for schools had an impact on numbers being permanently excluded as well as student attendance and engagement with education; despite the inhibiting factors faced, there are a number of positive aspects to have emerged during 2019/20 including:

1. 24 rescinded permanent exclusions during the academic year.
2. The proactive engagement by the Local Authority in recognising the potential negative consequences of young people being disengaged from education for a prolonged period and the positive work undertaken with schools to try to mitigate these circumstances.
3. Considerable resource expended to try to reduce the potential impact of young people becoming NEET at age 16
4. An overall reduction in number of young people being permanently excluded during a 'like for like' period (March 2019 compared with March 2020 – see below).

Progress – Schools Ltd now operates from three bases within the Birkenhead area, delivering a range provision including:

Key Stage 3 Reintegration Programme: continuing to develop and embed the 12 week reintegration programme for KS3 students, as preparation for students to re-join mainstream school. Over 77% of KS3 students who have been reintegrated back into mainstream education since 2018 have done so successfully; thanks are due to our secondary schools who have worked in collaboration with Progress-Schools to secure the success of this project.

Progress - Pathways: continuing to offer a vocationally based curriculum for permanently excluded KS4 students in conjunction with high quality local providers including Cornerstone and Tranmere Rovers FC. Many students who have accessed Progress Pathways this year have achieved some success as evidenced both by their achievement in qualifications and the destination data currently being collated (see attached report).

A Nurture and Wellbeing Centre: the development of a provision for permanently excluded children in crisis, requiring a strongly therapeutic approach. The curriculum is aimed at building resilience, self-regulation and anger management, with opportunities for practical and creative activities, as well as core subjects.

An Assessment Centre: the creation of a small assessment facility aimed at rapid assessment of students who present as having undiagnosed SEND, leading to EHCPs where appropriate. On conclusion of assessment, students who demonstrate that their needs would be best met through special school placement would be facilitated; students who do not meet the threshold would be supported through strategies identified during the assessment process to either re-integrate back into mainstream school or allocated a place at Progress Pathways, if deemed to be more appropriate. During this year a student for whom an EHCP assessment was completed has subsequently transferred to Kilgarth School.

Progress – Futures programmes: aimed at students in both Key Stages 3 & 4 who are not ready for reintegration, or who may have already experienced the KS3 Reintegration Programme/ Progress - Pathways and not responded positively to the opportunities presented. These students require continuing educational programmes with the effective delivery of English and Maths at an appropriate level, a curriculum with a strong practical bias, and interventions designed to help them to become ready to access education either through re-integration back to mainstream or to progress on to the Progress Pathways programme. For Y11 students there is a strong emphasis on the need for intensive, high quality IAG, with progression opportunities for post 16 education/ training clearly signposted to avoid young people becoming NEET.

These facilities have just begun Year 2 of the pilot project. We shall continue to assess their impact, both in terms of educational outcomes for young people but also the value for money they provide.

PART 2: SCHOOL COMMISSIONED ALTERNATIVE EDUCATION

Despite the pandemic, during the academic year 2019/20, there were **275 referrals** to Alternative Educational provision through the Portal, of which:

200 were boys

75 were girls

93 have some form of SEND

145 were Pupil Premium and

16 were CLA

This remains fairly typical of the picture nationally.

In terms of secondary school permanent exclusions, the following three year trend has emerged:

2017/18	2018/19	2019/20 (until March '20)
43	46	18

Of course, whilst the reduced number of permanent exclusions in the last academic year could be attributed to the period of lockdown, this is not necessarily the case. As noted above, the number of permanent exclusions from September to March in the previous academic year (2018/19) was actually 36. Therefore, it would be fair to suggest that we were actually on track to reduce permanent exclusions significantly last year. This has been achieved through the development of close collaborative working arrangements with schools, challenging permanent exclusion and offering high quality alternative educational opportunities, identifying students at risk of permanent exclusion and assisting schools to put effective interventions into place.

Primary schools have been accessing Evolve Enterprise, based at the site of Hillside Primary School, who offer a purely therapeutic package for children in Years 4, 5 and 6, in order to build resilience, and support self regulation, self calming and anger management in younger children, especially in readiness for secondary school transfer. Early indications suggest some positive impact. We are currently developing a pilot for Primary aged children who have been identified with SEMH in collaboration with WRAP.

Other Providers who continue to support Wirral schools and who are affiliated to the Wirral Guild of Alternative Education are as follows:

Cornerstone Training (Construction)
Horizons Education (English and Maths tuition)
Impact Northwest (English, Maths, therapeutic intervention, SEN support, Arts Award)
Liviva (Hair and Beauty)
Reaseheath College (outdoor educational experiences for young people with SEN Year 9 and land-based qualifications KS4)
WRAP (Educational support, therapeutic intervention, vocational qualifications, KS4 study support)
Utopia Project (KS4 study support plus vocational qualifications and GCSE Eng and Maths)
Stride (English, Maths, vocational qualifications)
Tranmere Rovers Football Club (vocational qualifications through Progress Pathways)
Wirral Riding School (re-engagement of disaffected young people through equine activities including related qualifications through the British Horse Society)

The challenge for the next academic year is to continue to develop the growth of safe, high quality provision in Wirral, enhancing the breadth and range of our offer.

ALTERNATIVE EDUCATION IN WIRRAL: FUTURE PLANS

Moving forward, the key objectives for 2020/21 are as follows:

1. Continuing to review and evaluate the success of the pilot commissioned provisions replacing Emslie Morgan Academy; completing tendering arrangements in regard to the provision for young people who have been permanently excluded from school from September 2021
2. Continuing to work collaboratively with schools in order to further develop the Alternative Education landscape and broaden the offer currently available for schools to commission
3. Ensuring that students who access the bulk of their education through Alternative Provision are not disadvantaged in any way, establishing better coordinated services with health, social care, and other relevant agencies.

Jan Levenson
November 2020

By virtue of paragraph(s) 1 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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WIRRAL COUNCIL

WIRRAL SCHOOLS FORUM: 24 November 2020

REPORT: MANAGING DIRECTOR, ESENTIAL COMMUNITY INTEREST COMPANY

1. EXECUTIVE SUMMARY

Edsential has fulfilled its mission as a Community Interest Company during this difficult year. We have constantly adapted to schools' needs and safety requirements to be the sustainable, high quality partner that schools could rely on during these challenging times.

Please see our latest impact report : <https://edsential.com/impactreport>

We have brought in over £2m to our boroughs from national funding bids for the arts, music and holiday hunger relief.

Our rigorous management of the company has ensured we will come through the covid situation with minimal long term impact on our ability to deliver the services Wirral children need.

2. BACKGROUND

Holiday Activity and Food pilot programme 2020

Edsential won a bid for £1.8m (of the £9m national fund) to provide a pilot HAF programme for Wirral, CWAC and Halton during the summer of 2020. The team rapidly adapted the planned structure to account for Covid restrictions and delivered a very successful programme.

We commissioned 160 community groups to deliver the programme, along with direct delivery by Edsential teams where appropriate.

Over 11,000 children and young people took part in the programme, which delivered over 155,000 cumulative attendances at activities. Over 147,000 meals were delivered by us and our partners.

The Wirral headline statistics are:

- 5,256 children and young people participated, breakdown by age phase:

Early years	KS1	KS2	KS3	KS4	Not disclosed
580	865	2239	979	538	55

- 86,883 attendances at activities
- 68 settings/ groups provided food and activities

Additional impact reported from our stakeholders:

- Reduced family stress
- Welfare checks and referrals
- New youth provision
- Increased family interaction and engagement
- Safe place to be
- Increased family cooking skills

Service delivery

Significant resource and work was invested to ensure health and wellbeing services have been adapted to the current needs of schools. We have worked collaboratively on our risk assessments with schools to ensure our teaching and service delivery was done safely. A range of provision has been delivered face to face, remotely and outdoors; including support to address behaviour and dips in social, emotional and physical health. There are a range of new teaching and learning resources available.

The learning outdoors service (LOtC) has increased its specific work in schools to support the curriculum, including pupils' language, mathematical and communication skills.

We have been commissioned by Wirral LA to provide the governor bulletin.

We are piloting a new leadership and personal development programme for Wirral foster service, and also for the Youth Service, that aims to provide a positive impact and life skills for vulnerable young people.

Covid impact

The covid lockdown obviously had a significant impact on Edsential, however we are proud of the support we were able to offer Wirral schools during this difficult period. We continued to provide school meals, cleaning and governor support services throughout and phased in the remaining services as you told us you were ready for us to do so.

Our 6 residential centres are closed and our expectation is that they will remain so until next Easter, unless guidance changes in the meantime.

Our shareholders asked us to focus on protecting the jobs and incomes of our teams, which we have been able to do. However, as a result the company will make a £2 million loss for this year. As we only make a 1% surplus on our services, it is likely we will need the next decade to pay off the loan we have taken to cover the loss. Due to strong cost control and cash management during this period we are very confident about our ability to weather this storm and continue to support you in the future.

On behalf of our near 1000 staff I would like to thank everyone who supported us during this year.

RECOMMENDATIONS

It is recommended that the report is noted.

lan.mcgrady@edsential.co.uk

WIRRAL COUNCIL

SCHOOLS FORUM – 24th NOVEMBER 2020

REPORT OF THE DIRECTOR FOR CHILDREN, FAMILIES AND EDUCATION

SCHOOLS BUDGET MONITORING REPORT 2020-21

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to update the Forum on the Schools Budget position and anticipated variations in the current year 2020-2021.
- 1.2 Overall the schools' net budget is forecast to overspend by £1.4m which is mainly due to pressure in the High Needs Block. When the budget was set it was expected that there would be a surplus £644k in the High Needs Block and it was planned that this would be used to make a contribution to the Dedicated Schools Grant (DSG) reserve. The gross overspend against budgeted expenditure is, therefore, £2.0m but has been partially offset with the £644k budgeted surplus bringing the in-year projected deficit for 2020-21 to £1.4m.
- 1.3 At the end of 2019-2020 the Dedicated Schools Grant (DSG) reserve closed with a deficit balance of £1.3m. The forecast in-year deficit of £1.4m means that the closing balance on the DSG reserve is expected to be £2.7m. A DSG Deficit Management Plan is currently being developed and this is explained in more detail in the separate report that is included on the agenda.
- 1.4 The current outturn position reflects an improvement of £0.3m since the report to the September 2020 Forum where the in-year overspend was expected to be £1.7m leading to a cumulative deficit of £3.0m at the end of 2020-2021.

2.0 FORECAST BUDGET VARIATIONS

The budget variations that make up the forecast £1.4m overspend are identified in the table attached in Appendix 1. The reasons for the variations as well as comments on specific budget areas are given below.

2.1 Primary, Secondary and Special Schools

Schools activity is expected to be delivered on budget. The schools budget includes both the Growth and Falling Roles budgets of £233k each. The monitoring report assumes that both of these funds will be fully spent in year.

2.2 Early Years Grant

The Early Years budget of £20.2m reflects the funding required for 2, 3 and 4-year olds who are entitled to receive free Early Education and Early Years Pupil Premium, as well as the 3 and 4-year-old extended offer. The budget for this is based on the January 2020 Census.

As a result of the COVID-19 outbreak it is expected that providers will experience reduced take-up of childcare places for the 2020 autumn term. Ordinarily

providers are funded for the number of actual number of places filled but DfE guidance announced in July sets out that:

- LAs should continue to fund early years providers who are open and offering their usual entitlements places at broadly the levels they would have expected to see in the 2020 autumn term had there been no coronavirus outbreak.
- In addition, LAs should continue to fund providers which have been advised to close, or left with no option to close, for public health reasons.

The impact of this is that payments to providers are likely to reflect a higher number of childcare places than have actually been taken up. As a result of this, the funding mechanism for LAs has changed for 2020-2021 and this now has a heavier weighting on the 2020 census number. Whether this change to the funding mechanism will be sufficient to cover total costs will not be known until 2021 when the final Early Years funding will be confirmed.

For the purposes of this monitoring report it has been assumed that actual activity will be within budget and that grant income will be sufficient to cover costs.

It is expected that LA's and childcare providers will return to the normal approach from 1 January 2021 but the Department for Education (DfE) will keep this under review.

2.3 **Central Early Years Budget – projected £29,100 favourable variance**

An underspend is expected within this centrally managed budget because of some part-year vacant posts.

2.4 **Contribution to Combined Budgets**

The combined budgets of £0.7m are broken down as follows:

	Budget
	£
School Improvement	264,0000
Discretionary Rate Relief Top Up	85,300
LCSB contribution	24,000
Governors Forum	1,800
PFI Support Team	49,400
LACES	112,400
School Intervention	108,800
CLC PFI	54,800
Total	700,500

It is anticipated that these budgets will be fully committed.

2.5 **Schools Forum – projected £10,360 favourable variance**

To date just one commitment has been identified against this budget and that is £240 for the preparation and hosting of the survey to support the National Funding Formula consultation.

2.6 **Insurances – projected £10,000 favourable variance**

This de-delegated budget is projected to underspend by £10,000, reflecting a reduced number of claims received in recent years.

- 2.7 Special Education Needs Statements – projected £424,844 adverse variance**
 Pressure on this budget continues to grow with an overspend of £425k projected despite an increase in the budget from 2019-2020. This reflects an improvement of £454k from the position reported to Forum in September.

An overspend of £79k is expected for Primary Schools due to growth in the number of plans. The 2020 Summer term saw a growth of 125 plans but further growth has not been as high as first expected thus the forecast expenditure for both the 2020 Autumn and 2021 Spring terms has been revised down resulting in an improved outturn position since that reported to the 2020 September Forum.

An overspend of £101k is expected for Secondary Schools due to forecast growth in plans. Growth has slowed a little since the 2020 Summer term thus the forecast expenditure for both the 2020 Autumn and 2021 Spring terms has been revised down resulting in an improved outturn position since that reported to the 2020 September Forum.

Demand for ‘out of borough’ placements is expected to continue but less than that experienced in 2019-2020. It is expected that this will cause a further pressure of £203k which is made up of £28k for Primary and £175k for Secondary.

- 2.8 Special Education Needs Top Ups – projected £622,733 adverse variance**
 Although there was an increase in this budget from 2019-2020, growth in demand is still greater than planned and an overspend of £623k is forecast. This reflects an increase of £100k since the position was reported to 2020 September Forum.

	Budget	Projected Spend	Projected Variance
	£	£	£
Top Ups for Maintained Special Schools	8,427,900	8,380,180	47,720
Top Ups for Resourced provision	1,048,600	1,122,867	(74,267)
Alternative provision	1,318,200	1,238,000	80,200
FE and 6th Form Top Ups	1,683,200	2,045,321	(362,121)
Additional Nursing Support	159,900	129,043	30,857
Exceptional Needs	782,000	1,127,122	(345,122)
Total	13,419,800	14,042,533	(622,733)

An overspend of £74k is forecast for Top Ups for resourced provision due to increase demand. This reflects an improvement on the position reported to the 2020 September Forum.

FE/6th Form budget is currently projecting an overspend of £362k due to an increase in places. This reflects a £81k worsening of the position reported to 2020 September Forum.

Exceptional Needs is forecast to overspend by £345k due to the growth in applications from September 2020. This reflects a £100k worsening of the position reported to 2020 September Forum.

Moderate underspends for; Top Ups for Maintained Special Schools of £48k, Alternative Provision £80k and Additional Support £31k have partially off-set the overspends in other activities.

2.9 Independent Special Schools – projected £986,570 adverse variance

The budget is based on 105 places, but demand is increasing, and the forecast expenditure is based on demand increasing to 126 by December 2020 and a further 12 places from the 2021 Spring term to end of March 2021. The forecast level of demand will generate an overspend of £987k.

2.10 Home Tuition – projected £100,000 adverse variance

The Home Tuition budget remains the same as 2019-2020. Due to cost pressures in 2019-2020 the budget overspent by £93k. These cost pressures have continued into 2020-2021 resulting in a forecast overspend of £100k.

2.11 High Needs Contingency – projected £35,000 adverse variance

This budget funds the 90% Notional SEN Guarantee, where mainstream schools are compensated if their element 2 costs exceed 90% of their notional SEN allocation. The overspend relates to a revenue contribution to adaptations that are needed for a specialist facility for deaf pupils.

2.12 Support for SEN – projected £163,260 favourable variance

An underspend is projected mainly relating to vacant posts within the Clinical Psychologists and Communication Differences teams, although these are partially off set by an overspend within the Physical/Medical budget relating to the Mediquip contract.

2.13 DSG - £174,590,200 - £0.167m adverse variance

At the end of financial year 2019-2020 the value of the DSG grant income received was adjusted to reflect the expected final grant allocation in relation to Early Years. This is usual practice and reflects the timing difference between the closure of accounts and the date by which the Council is notified of the final allocation. Unfortunately, the level of grant income due was overstated by £167k thus the deficit b/fwd from 2019-20 should have been reported £167k worse. The impact of the overstated income will now be reflected 2020-2021 accounts and will contribute to the increased DSG reserve balance to be carried forward into 2020-2021.

3.0 UPDATE ON RESERVES

3.1 The final DSG deficit balance carried forward into 2020-21 was £1.3m. This includes ring-fenced funding of £245,305 in respect of; Early Years Disability Access Fund (£178,140) and Early Years charges that were levied too late to be included in the 2019-20 accounts (£67,165). Due to the forecast in-year overspend of £1.4m, it is expected that the closing reserve balance to be carried forward into 2021-2022 will be in deficit by £2.7m.

4.0 CONCLUSION

4.1 The Schools Budget will be monitored throughout the year, and any projected variances against budget will be reported to the Forum.

5.0 RECOMMENDATIONS

5.1 That the Forum notes the report.

**Paul Boyce,
Director for Children, Families and Education**

Appendix 1 - Budget Variations 2020-21

	2020-21 Budget £	2020-21 Spend £	2020-21 Variation £
Individual Schools Budget			
Primary	82,980,000	82,980,000	0
Secondary	25,293,000	25,293,000	0
Special	11,368,300	11,368,300	0
Wirral Hospitals School	1,354,300	1,354,300	0
SEN Bases	988,000	988,000	0
Sixth Form/Further Education	36,000	36,000	0
Early Years	20,239,300	20,239,300	0
Growth Fund	233,000	233,000	0
Falling Rolls Fund	233,000	233,000	0
Individual Schools Budget Total	142,724,900	142,724,900	0
Central School Costs			
Early Years	518,700	489,600	29,100
Admissions	372,200	372,200	0
School Redundancy Costs	81,000	81,000	0
Licenses and subscriptions	244,900	244,900	0
Schools Forum	10,600	240	10,360
Contribution to combined budgets	700,500	700,500	0
PFI Addordability Gap	1,247,700	1,247,700	0
Retained duties (ex-ESG)	730,000	730,000	0
Costs delegated to/de-delegated from schools			
Library Service	188,200	188,200	0
Insurances	25,600	15,600	10,000
School Specific contingencies	66,100	66,100	0
Special Staff Costs	701,400	701,400	0
Behaviour Support	107,000	107,000	0
School Improvement	150,700	150,700	0
Retained duties (ex-ESG)	504,800	504,800	0
High Needs Pupils			
Statements	6,237,000	6,661,844	(424,844)
SEN top-ups	13,419,800	14,042,533	(622,733)
High Needs contingency	360,000	395,000	(35,000)
Independent Special Schools	4,134,000	5,120,570	(986,570)
Home Tuition	400,500	500,500	(100,000)
Support for SEN	2,210,200	1,986,940	223,260
Special School Transport	58,200	58,200	0
Non-delegated school costs Total	32,469,100	34,365,527	(1,896,427)
Total Costs	175,194,000	177,090,427	(1,896,427)
Funding			
Dedicated School Grant	(174,590,200)	(174,423,387)	(166,813)
Contribution to DSG Reserve (High Needs)	643,900	0	643,900
Funding Total	(173,946,300)	(174,423,387)	477,087
Grand Total	1,247,700	2,667,040	(1,419,340)

WIRRAL COUNCIL

SCHOOLS FORUM – 24th NOVEMBER 2020

REPORT OF THE DIRECTOR FOR CHILDREN, FAMILIES AND EDUCATION

DSG MANAGEMENT PLAN 2020-2021

1.0 EXECUTIVE SUMMARY

1.1 The purpose of this report is to update the Forum on the actions that are being undertaken to develop Wirral's DSG Management Plan.

2.0 BACKGROUND

2.1 At the end of the financial year 2019-2020, Wirral's overall DSG deficit was £1.3m which was mainly due to pressure in the High Needs Block. Despite an increase in the budget for 2020-2021, a further overspend of £1.4m is expected due mainly to further demand on the High Needs Block resulting in a forecast total DSG deficit of £2.7m by the end of financial year 2020-21.

2.2 Of the £1.4m net overspend that is forecast for 2020-2021, £1.3m relates to High Needs and is expected to recur in future years unless significant and enduring action is taken to reduce costs with effect from 01 April 2021.

2.3 The DSG conditions of grant require that any local authority with an overall deficit on its DSG account at the end of 2019-2020 financial year, or whose DSG surplus has substantially reduced during the year, must be able to present a plan to the Department for managing their future DSG spend. The expectation of the Department for Education (DFE) is that local authorities should plan to recover their deficit in a 3-year period although a 5-year plan may be considered. The local authority is proposing action to mitigate any potential negative impact of the recovery plan. The action includes:

- spread the savings over the maximum time period, which is five years.
- make the least amount of savings possible to achieve an in-year balance, by year three, and go on to reduce the deficit by year five

2.4 To assist in the planning process, the DFE have issued a detailed Management Plan Tool that is to be completed with both statistical and financial information for the period 2017-18 to 2024-25. A copy of Wirral's Management Plan Tool as it stands at present has been made available with this report in the document called Appendix 3 Wirral's Dedicated Schools Grant (DSG) Management Plan Tool.

2.5 The management of future DSG spend requires two stages namely, a sustainable reduction in annual expenditure of around £1.3m to remain within the annual budget plus a further sustainable reduction in spend of around £0.5m per annum to recover the accumulated deficit. Ideally Wirral should plan to more than recover the deficit position so that a positive reserve can be maintained to cover future unforeseen costs and to develop the service. A sustainable reduction in high needs costs of around £2m per annum is recommended. The table below

identifies the impact of various savings levels on both the in-year and cumulative deficit.

Yr. Details	If no action taken		If High Needs spend is reduced by £1m per annum		If High Needs spend is reduced by £1.3m per annum		If High Needs spend is reduced by £2.0m per annum	
	In year deficit	Deficit c/fwd	In year deficit	Deficit c/fwd	In year deficit	Deficit c/fwd	In year deficit	Deficit c/fwd
	£m	£m	£m	£m	£m	£m	£m	£m
2019-20 Actual	-£1.264	-£1.264	-£1.264	-£1.264	-£1.264	-£1.264	-£1.264	-£1.264
2020-21 Forecast	-£1.419	-£2.683	-£1.419	-£2.683	-£1.419	-£2.683	-£1.419	-£2.683
1 2021-22 High Needs Forecast	-£1.302	-£3.985	-£0.302	-£2.985	£0.000	-£2.683	£0.698	-£1.985
2 2022-23 High Needs Forecast	-£1.302	-£5.287	-£0.302	-£3.287	£0.000	-£2.683	£0.698	-£1.287
3 2023-24 High Needs Forecast	-£1.302	-£6.589	-£0.302	-£3.589	£0.000	-£2.683	£0.698	-£0.589
4 2024-25 High Needs Forecast	-£1.302	-£7.891	-£0.302	-£3.891	£0.000	-£2.683	£0.698	£0.109
5 2025-26 High Needs Forecast	-£1.302	-£9.193	-£0.302	-£4.193	£0.000	-£2.683	£0.698	£0.807

2.6 The table above assumes that a recurring £2.0m saving can be delivered by financial year 2021-2022 and that this will result in the recovery of the deficit by year 4. It is more likely that savings will be generated over a period of time with staggered implementation across the 5-year period. The level of savings implemented each year will determine how quickly the deficit position can be recovered.

2.7 Whilst it is expected that there will be some real growth funding in the 2021-2022 DSG High Needs Block allocation, this cannot be relied upon to recover the deficit position and to generate a surplus going forward. On that basis Wirral has moved forward with its DSG Management Plan.

3.0 DSG DEFICIT MANAGEMENT PLAN ACTIONS TO DATE

3.1 To date the Head of Special Educational Needs and Disabilities (SEND) and Inclusion has corresponded with the relevant stakeholders and attended their meetings to outline the issues and to identify the financial proposals that are being considered to reduce High Needs expenditure. The relevant stakeholder groups have been invited to both review the proposals and to contribute to the development of alternative proposals.

3.2 Thirteen proposals have been identified to date and these are listed in Appendix 1 along with the financial impact of the potential changes. Each proposal has been shown with four options for reducing costs i.e. reductions of 3%, 5%, 10% and 20%. The full year saving that these proposals will achieve by the end of year 5 ranges from £2.6m to £8.9m if all of the proposals are adopted. For information, an analysis of the total 2019-20 High Needs Block expenditure has been included in Appendix 2.

3.3 The next stage in the process is to review the financial proposals to identify the changes that will be needed to the service to achieve the various savings levels and what the impact and risk will be on the delivery of each of the services affected. This more detailed analysis will be communicated to the relevant stakeholder groups and will inform the decision on which proposals are to be taken forward. This will be followed up with a period of consultation.

3.4 Consultations will take place each term with the Schools Forum. In addition, consultations will take place with:

- High Needs Working Party of the Schools Forum
- Wirral Association of Secondary Headteachers (WASH)
- Primary Headteachers Consultative Group (PHCG)
- WiSpHA (Wirral Special Headteachers Association)
- Parent Carer Participation Wirral (PCPW)
- Health Authorities
- Wirral Children's Social Care (CSC)
- Wirral SENDCO Locality Boards

4.0 CONCLUSION

4.1 Wirral officers will continue to develop the Management Plan and will report back to the next Schools Forum meeting.

5.0 RECOMMENDATIONS

5.1 That the Forum notes the report.

Paul Boyce,
Director for Children, Families and Education

Appendix 3
Wirral's Dedicated Schools Grant (DSG) Management Plan Tool

Appendix 1 – Financial Proposals

Proposal	Activity	Details of change (s)	2019-2020 Spend	Option/ Saving	Modelled savings to be delivered by the end of Year 5			
					Option 1	Option 2	Option 3	Option 4
1	Exceptional Needs Funding	Starting maximum cap of £900k, individual maximum cap of £16,100, maximum period of 52 consecutive calendar weeks, reduction in cap for five consecutive financial years of either 5%, 10% or 20%	£1,005,465	Option	3%	5%	10%	20%
				Saving	-£330,286	-£393,735	-£534,022	-£738,322
2	Individual Pupil Funding Agreements (IPFA)	Starting maximum cap of £1,900k, individual maximum cap of 5 units, maximum period of 52 consecutive calendar weeks, reduction in cap for five consecutive financial years of either 5%, 10% or 20%	£2,365,417	Option	3%	5%	10%	20%
				Saving	-£646,818	-£762,518	-£1,033,446	-£1,496,783
3a	Inclusion funding – Base funding	Starting level £33,470 per setting, maximum period of 52 consecutive calendar weeks, reduction in value for five consecutive financial years of either 5%, 10% or 20%	£334,700	Option	3%	5%	10%	20%
				Saving	-£64,171	-£102,762	-£186,024	-£305,408
3b	Inclusion funding – EBD Outreach 1st Day Exclusion	Starting level £270,144, reduction in value for five consecutive financial years of either 5%, 10% or 20%	£270,144	Option	3%	5%	10%	20%
				Saving	-£38,162	-£61,112	-£110,627	-£181,623
3c	Inclusion funding- Specialist school	Starting level £119,560, reduction in value for five consecutive financial years of either 5%, 10% or 20%	£119,560	Option	3%	5%	10%	20%
				Saving	-£16,890	-£27,047	-£48,961	-£80,383
4	Clinical Psychology	Starting level £382,000, reduction in value for five consecutive financial years of either 5%, 10% or 20%	£276,107	Option	3%	5%	10%	20%
				Saving	-£53,964	-£86,416	-£156,433	-£256,826
5	Communications Differences Team	Reduction based on 1.00 FTE vacant post	£147,100	Option	1 FTE	1 FTE	1 FTE	1 FTE
				Saving	-£47,834	-£47,834	-£47,834	-£47,834
6	Hearing & Visually Impaired Service (excluding commissioning which is covered in Option 9)	Starting level £1,043,500, reduction in value for five consecutive financial years of either 5%, 10% or 20%	£1,058,413	Option	3%	5%	10%	20%
				Saving	-£147,411	-£236,060	-£427,324	-£701,566
7	Townfield Academy Primary School local authority Resource Provision Hearing Support Base	Starting level £100k (10 Top-ups), reduction in value for five consecutive financial years of either 5%, 10% or 20%	£90,000	Option	3%	5%	10%	20%
				Saving	-£14,127	-£22,622	-£40,951	-£67,232
8	Three Language Bases	Starting level £348k (58 Places), reduction in value for five consecutive financial years of either 5%, 10% or 20%	£348,000	Option	3%	5%	10%	20%
				Saving	-£49,161	-£78,724	-£142,509	-£233,967
9	SEND Commissioning Speech and Language Therapy (SaLT)	Starting level £120,000, reduction in value for five consecutive financial years of either 5%, 10% or 20%	£120,000	Option	3%	5%	10%	20%
				Saving	-£16,952	-£27,146	-£49,141	-£80,678
10	Wirral Metropolitan College	Starting level £1,034,880, reduction in value for five consecutive financial years of either 5%, 10% or 20%	£908,115	Option	3%	5%	10%	20%
				Saving	-£146,193	-£234,110	-£423,794	-£695,771
11	Physical / Medical Impairment Team	Starting level £189,366, reduction in value for five consecutive financial years of either 5%, 10% or 20%	£154,094	Option	3%	5%	10%	20%
				Saving	-£26,751	-£42,838	-£77,547	-£127,314
12	Home Education Service (Hilbre)	Starting level £500,500, reduction in value for five consecutive financial years of either 5%, 10% or 20%	£493,945	Option	3%	5%	10%	20%
				Saving	-£70,704	-£113,223	-£204,960	-£336,496
13	Units of resource value (£1,090 per unit)	Starting level £5,747,528, reduction in value for five consecutive financial years of either 5%, 10% or 20%	£5,350,935	Option	3%	5%	10%	20%
				Saving	-£811,930	-£1,300,200	-£2,353,670	-£3,864,178
Total potential savings					-£2,481,354	-£3,536,346	-£5,837,243	-£9,214,382
Total 2019-20 Costs of activities covered by the proposals			£13,041,994					
Total 2019-20 Costs of activities not covered by the proposals			£24,681,064					
Total 2019-20 High Needs Costs (see Appendix 2 for further analysis)			£37,723,058					

Appendix 2

		2019-20 Expenditure	
Individual Schools Budget	Special (inlcg. 6th Form/Further Education	£10,328,600	
	Wirral Hospitals School	£1,354,300	
	SEN Bases	£999,187	
High Needs Pupils	Statements:	Primary School - Units of resource	£3,146,151
		Secondary School - Units of resource	£2,204,784
		Personal Budgets	£196,871
		Staffing for Independent Settings	£69,555
		Recharges and overheads	£37,200
	SEN top-ups:	Top-ups for Maintained Special Schools	£8,113,933
		FE & 6th Form Top-Up	£1,648,939
		Top-ups for Resourced provision	£1,067,641
		Exceptional Needs	£1,005,465
		Alternative provision	£949,984
		Nursing Support (NHS)	£145,330
		High Needs contingency	£231,378
		Independent Special Schools	£3,728,872
		Home Tuition Service	£493,945
		Exclusions	£43,463
	Support for SEN:	Clinical Psychologists	£276,107
		Communication Differences	£113,943
Hearing & Visually Impaired Service		£1,058,413	
Physical/Medical Impairment		£154,094	
Pre School Portage		£188,346	
	Vulnerable Children	£108,358	
	Special School Transport	£58,200	
Total High Needs Block Expenditure		£37,723,058	

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WIRRAL COUNCIL

SCHOOLS FORUM – 24th NOVEMBER 2020

REPORT OF THE DIRECTOR FOR CHILDREN, FAMILIES AND EDUCATION

SCHOOLS REVENUE FUNDING 2021-2022 AND LOCAL FUNDING FORMULA CONSULTATION

1.0 EXECUTIVE SUMMARY

1.1 The purpose of this report is to provide Forum with feedback from the consultation on the 2021-2022 Schools Funding Formula, and to seek Forum's views on the formula for the 2021-2022 financial year, which will in turn be considered in the budget recommendations to the February 2021 meeting of the Policy and Resources Committee.

2.0 BACKGROUND

2.1 As reported to Schools Forum at the September 2020 meeting, the Department for Education (DFE) announced in July 2020 that the minimum per pupil funding levels in 2021-2022 will be £4,180 in primary schools, £5,215 for Key Stage 3 pupils, and £5,715 for Key Stage 4 pupils. These funding levels include the following changes relevant to Wirral for 2021-2022:

- The incorporation of the 2019 update to the Income Deprivation Affecting Children Index (IDACI), ensuring that the deprivation funding through the NFF continues to target schools most likely to need additional funding.
- Funding previously received through the Teachers' Pay Grant (TPG) and Teachers' Pension Employer Contribution Grants (TPECG), including the supplementary fund, have now been rolled up into the NFF.
- Local authorities have the freedom to set the MFG in local formulae between +0.5% and +2% per pupil (previously +0.5% to 1.84%)

2.2 Indicative NFF 2021-2022 schools block allocations for Wirral, based on 2020-2021 pupil numbers are as follows:

	Schools Block
2020-21 final allocation	£211,908,043
2021-22 indicative allocation	£228,251,891
Increase	£16,343,848
Increase	7.71%

2.3 Given that Wirral have already adopted the individual factors from the National Funding Formula (NFF) and the DFE does not intend that changes to incorporate 2019 IDACI data or to roll in TPG and TPECG funding, which mirror technical changes in the NFF, should require consultation with schools on their own, only the options for the level of MFG required formal consultation.

3.0 2021-2022 LOCAL FUNDING FORMULA CONSULTATION

- 3.1 The consultation documents were issued to all schools and academies on 7th October 2020 and ran until 30th October.
- 3.2 The consultation sought views on the level of MFG for 2021-2022 for three options as follows:
- + 0.50% - this would give all schools at least the minimum 0.5% increase in per pupil funding and allow those due to gain most from the formula (i.e. those deemed underfunded) to gain closer to their full allocation.
 - + 1.25% - this would offer a greater minimum increase in per pupil funding but may result in some schools due to gain most having their gain capped.
 - + 2.00% - this would increase the minimum per pupil funding increase further, but similarly may increase the cap on some gaining schools as a result.
- 3.3 In addition, views will be sought on the usage of any funding that may be left following the allocation of the confirmed 2021-2022 schools block allocation. For 2020-2021, such funding was allocated to a Growth Fund and Falling Rolls Fund.
- 3.4 To support the consultation processes, the documents included a financial model to identify the indicative impact of the MFG options on each school.

4.0 SUMMARY OF RESPONSES

- 4.1 The responses to the consultation survey questions are summarised below.

Q1 - What level of Minimum Funding Guarantee (MFG) do you think should be included in the funding formula from April 2021? There were 32 responses to this question and the outcome of the responses is shown in the table below.

Level of MFG	Responses	
	Qty	%
+ 0.50%	5	15.63%
+ 1.25%	17	53.13%
+ 2.00%	10	31.25%
	32	100.00%

Q2 – Why have you selected this option? There were 29 responses to this question and the outcome of the responses is shown in the table below.

Reason for MFG preference	+ 0.50%	+ 1.25%	+ 2.00%	Total
Fairest/best for all schools, minimises 'capping'	4	12		16
Best for our school		2	6	8
Maximum distribution of funding available			4	4
Allows some capacity e.g. to establish falling rolls/growth fund		1		1
	4	15	10	29

Q3 – Do you have any comments on how any spare capacity within the funding available should be allocated. For example, establish a Growth Fund and/or Falling Rolls Fund? There were 29 responses to this question and the outcome of the responses is shown in the table below.

Use of spare capacity in 2021-22 funding	Responses	
	Qty	%
Establish a falling rolls and/or growth fund	16	55.17%
Falling rolls/growth fund	4	
Falling rolls only	5	
Falling rolls/distribution to all schools	1	
Falling rolls/SEN	1	
Growth only	5	
Distribute to all schools	5	17.24%
SEN/SEMH	6	20.69%
COVID-19	2	6.90%
	29	100.00%

5.0 RECOMMENDATIONS

- 5.1 That the Forum notes the report.
- 5.2 Schools Forum's views are sought on the proposal to include +1.25% Minimum Funding Guarantee within Wirral's funding formula in 2021-2022 based on 53.13% of feedback supporting that rate.
- 5.3 Schools Forum's views are sought on the proposal to allocate any spare capacity within the 2021-2022 funding to a falling roll and/or growth fund based on 55.17% of feedback supporting this approach.

Paul Boyce
Director for Children, Families and Education

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WIRRAL COUNCIL

SCHOOLS FORUM – 24th NOVEMBER 2020

REPORT OF THE DIRECTOR OF CHILDREN, FAMILIES AND EDUCATION

2020-21 GROWTH FUND AND FALLING ROLLS FUND

1.0 EXECUTIVE SUMMARY

1.1 The purpose of this report is to propose the criteria for accessing the Growth Fund and Falling Rolls Fund in 2020-21, which have been created for the first time as part of Wirral's funding formula.

2.0 BACKGROUND

2.1 At the June 2020 meeting, Schools Forum was presented with a report that outlined the proposed criteria for accessing both the Growth Fund and Falling Rolls Fund in 2020-21. Currently the proposed criteria were as follows:

a. The proposed criteria for Wirral's 2020-21 £233k Growth Fund...

- Mainstream schools and academies can access the fund.
- pupil numbers grow because of basic need to above 6.5% of the budgeted numbers between the budget setting period and October census.
- growth funding will be equivalent to the Basic Entitlement factor (AWPU) only for the additional pupils (i.e. over the 6.5%).
- funding is for the remainder of their relevant funding period (pro rata).

b. The proposed criteria for Wirral's 2020-21 £233k Falling Rolls Fund...

- the fund is accessible to 'Good' or 'Outstanding' mainstream schools and academies.
- the Number On Roll (NOR) is less than 80% of its Published Admission Number (PAN);
- planning data shows surplus places will be required within 3 years.
- falling rolls funding will be equivalent to the basic entitlement factor (AWPU) only over the 6.5% threshold
- e.g. if drop by 8%, would receive basic entitlement for 1.5% of its previous intake for the relevant funding period.

2.2 Following careful consideration of the proposal the Schools Forum felt that they needed further information as to what underpinned the basis for the proposed criteria. The following specific questions were raised at the June 2020 meeting and the responses were provided at the September 2020 meeting:

1. *Question* - Do the criteria meet DFE regulations?

Response - The criteria are based on the recommended criteria as per the Schools revenue funding Operational guide.

2. *Question* - Need for separate funds?

Response - EFSA recommend the use of separate funds to support the development of clear objective trigger points for qualification and a clear formula for calculating allocation of the funds. Individually funds can under or overspend thus where there is pressure on one fund e.g. Growth Fund, this can be off set by any under-utilisation of the Falling Rolls Fund. The collective surplus/deficit balance of both funds will be carried forward into the following financial year.

3. *Question* - What is the basis for 6.5% threshold applied to both the Growth and Falling Rolls Funds?

Response - Analysis was undertaken of the year on year changes in pupil numbers (2018-19 compared to 2019-20 October Census) by school and this identified that a 6.5% threshold should be affordable within the financial limits of the funding made available for 2020-21.

Relatively small changes in the threshold can have a significant impact on the number of schools that qualify, the value of additional funding for each qualifying school and the total cost. This is demonstrated in the table below which compares the impact of applying the proposed 6.5% threshold with small changes to the threshold percentage.

Baseline percentage change	Growth fund £233k			Falling Rolls fund £233k		
	Number of schools benefitting	Range of additional funding per school £	Total cost £	Number of schools benefitting	Range of additional funding per school £	Total cost £
1. Proposed threshold	7	£2.4k to £91.9k	£235k	6	£0.6k to £184.1k	£266k
2. Proposed less 1%	8	£4.7k to £108.4k	£315k	8	£0.1k to £230.8k	£340k
3. Proposed less 1.5%	8	£5.7k to £121.3k	£360k	9	£2.2k to £254.1k	£389k
4. Proposed less 2%	8	£6.8k to £134.2k	£404k	12	£0.5k to £277.4k	£445k
5. Proposed less 3.5%	20	£0.1k to £172.8k	£651k	14	£1.4k to £347.5k	£562k

2.3 Given the significant differences in individual schools funding that is applicable for qualifying schools, Schools Forum were asked to consider applying a 'ceiling' on the maximum funding applicable to any one school. Thus, for example, if the 6.5% thresholds proposed also included a ceiling of £50k per school the total cost outlined in the table above will reduce by £74k for Growth and a further £134k for Falling Rolls.

2.4 Schools Forum welcomed the feedback but felt that the criteria should consider a trend in changes in pupil numbers and questioned the need for the fund to be split between growth and falling rolls. Schools Forum requested that trend data be made available to the relevant Headteacher clusters for discussion and subsequent recommendation on which the criteria should be based. Appendix A contains the information that was made available for discussion at WASH & PHCG.

3.0 CONCLUSION

3.1 Following review of the additional information, Secondary heads provided the following feedback:

- The fund does not need to be separated into growth and falling roll, simply address issues around change in pupil population.
- Allocations should be based on the past 3-year pupil number data and figures should be pupil numbers, not percentages.
- Rationale should be based on helping schools in difficulty because of pupil number change, not other factors.
- The School Forum should see the detail and the proposed allocation before agreeing the spend and all the spend should be allocated within the year if possible.

3.2 Based on this feedback from Secondary heads and the trend data provided, 33 schools could, in principle, benefit from the fund subject to confirmation that the school is in difficulty because of pupil number change.

4.0 RECOMMENDATION

- 4.1 The feedback from Secondary heads forms the basis of the criteria for the allocation of the 2020-21 Falling rolls/Growth Fund. Given that this will require Schools Forum to agree the proposed allocation prior to distribution and there is an element of subjectivity in the criteria, the following process is recommended:
- School's apply to receive funding for the financial year 2020-21. To assist in this, an application form has been drafted and is attached in Appendix B.
 - A closing date of Friday 18th December is identified for closure of applications.
 - An initial award is identified by Council Officers based on the information submitted and the overall impact on the fund of applications.
 - The outcome of the initial application process is reported to the January meeting of the Schools Forum for approval.
 - Primary and Secondary schools will be informed of the application process by Monday 30 November.

Paul Boyce
Director of Children, Families and Education

Appendix A - Growth Fund and Falling Rolls Fund (additional information)

Background

At the Schools Forum meeting on 29 September, members discussed the proposed criteria for allocating the Growth and Falling Rolls funds that is available for 2020-21.

The proposed criteria will allocate the funds based on the percentage year on year change where it is above a 6.5% threshold. This threshold was based on the year on year change from 2018-19 to 2019-20. For information, the Wirral proposed criteria is attached in Appendix A whilst an extract from the ESFA guidance document is attached in Appendix B.

The total funding available of £466k has currently been distributed evenly across both Growth and Falling Rolls i.e. £233k for each.

Members felt that the proposed criteria did not take account of any on-going recurring change to pupil numbers but rather a 'snapshot' based on one year. In addition, members felt that it may not be appropriate to have an even distribution of funds for Growth and Falling Rolls on the basis that there is likely to be more growth experienced than falling rolls.

It was noted at the meeting that in applying the proposed criteria that the range of additional funding where schools passed the 6.5% threshold was extremely wide (see table below) thus consideration may need to be given to 'capping' the value that can be awarded to any one school.

Baseline percentage change	Growth fund £233k			Falling Rolls fund £233k		
	Number of schools benefitting	Range of additional funding per school £	Total cost £	Number of schools benefitting	Range of additional funding per school £	Total cost £
1. Proposed threshold	7	£2.4k to £91.9k	£235k	6	£0.6k to £184.1k	£266k

It was agreed that further analysis would be undertaken to identify where/if a trend occurs over a longer time period and if an even distribution across growth/falling rolls is evident. The information will be made available to Schools Forum members for discussion at the relevant stakeholder groups with a view to making alternative proposals for the criteria that will underpin the allocation of the Growth and Falling Roll funds.

Results of the analysis

Further analysis has been undertaken across five years (2016/17 to 2020/21) thus allowing for four sets of year on year comparisons and the results of this are summarised below.

In reviewing the results, the following should be noted:

- In all data was gathered for 111 schools of which 1 had not been operational across all five years. On that basis the analysis has been prepared based on the information relating to the 110 schools that have been operational across all five years.
- Some year on year changes show up large changes for individual schools and it is felt that these are due to circumstances other than general changes to pupil numbers. Where these occur, they have been highlighted in the tables included in this document.
- School names/numbers have been omitted from the analysis included in this document.

Fig 1 – summary of year on year changes to pupil numbers

	No of schools
Schools with growth in all 4 year on year comparisons (see Fig 1a for break-down)	17
Schools with growth in the latter 3 year on year comparisons (see Fig 1b for break-down)	6
Schools with growth in the latter 2 year on year comparisons (see Fig 1c for break-down)	8
Schools with falling rolls in all 4 year on year comparisons (see Fig 1d for break-down)	6
Schools with falling rolls in the latter 3 year on year comparisons (see Fig 1e for break-down)	4
Schools with falling rolls in the latter 2 year on year comparisons (see Fig 1f for break-down)	11
Schools with fluctuating growth/falling rolls (see Fig 1g for break-down)	58
Total	110

The tables below show the individual schools results for each of the categories in the table above, In addition to the year on year change, a total change across the period has also been included to identify the scale of the change.

Fig 1a – analysis of schools with growth in all 4 year on year comparisons

School	2016-17 to 2017-18		2017-18 to 2018-19		2018-19 to 2019-20		2019-20 to 2020-21		Overall change	
	No of pupils	%	No of pupils	%	No of pupils	%	No of pupils	%	No of pupils	%
005	15	2.9%	29	5.4%	41	7.2%	9	1.5%	94	18.0%
009	3	1.8%	7	4.2%	12	6.9%	25	13.4%	47	28.7%
011	0	0.0%	6	1.5%	8	2.0%	18	4.4%	32	8.2%
013	8	4.7%	6	3.3%	22	11.8%	5	2.4%	41	23.8%
048	1	0.6%	11	6.6%	8	4.5%	2	1.1%	22	13.3%
051	10	6.7%	5	3.1%	48	29.3%	26	12.3%	89	59.7%
075	33	8.7%	2	0.5%	5	1.2%	5	1.2%	45	11.9%
083	30	4.4%	15	2.1%	200	27.7%	20	2.2%	265	39.1%
085	17	6.4%	36	12.7%	13	4.1%	1	0.3%	67	25.1%
086	3	1.2%	22	8.7%	64	23.2%	13	3.8%	102	40.6%
089	32	3.7%	2	0.2%	66	7.3%	23	2.4%	123	14.2%
093	20	3.1%	33	4.9%	31	4.4%	21	2.9%	105	16.1%
097	14	1.6%	10	1.2%	5	0.6%	28	3.2%	57	6.7%
100	11	1.5%	12	1.7%	40	5.4%	9	1.2%	72	10.1%
102	16	1.2%	17	1.2%	17	1.2%	10	0.7%	60	4.4%
104	1	0.1%	47	5.2%	101	10.6%	43	4.1%	192	21.3%
110	60	7.9%	52	6.3%	63	7.2%	29	3.1%	204	26.7%

Fig 1b analysis of schools with growth in the latter 3 year on year comparisons

School	2017-18 to 2018-19		2018-19 to 2019-20		2019-20 to 2020-21		Overall change	
	No of pupils	%	No of pupils	%	No of pupils	%	No of pupils	%
023	2	1.1%	3	1.7%	2	1.1%	7	4.0%
063	7	1.8%	2	0.5%	3	0.8%	12	3.1%
077	6	3.2%	7	3.6%	6	3.0%	19	10.1%
081	15	2.4%	92	14.2%	28	3.8%	135	21.4%
092	26	5.2%	82	15.6%	59	9.7%	167	33.4%
094	13	2.7%	237	48.7%	45	6.2%	295	62.2%

Thus, if the criteria were based on a 3-year trend, the total number of schools to consider is 23 i.e. 17 with a 4-year trend (Fig 1a) plus 6 with a 3-year trend (Fig 1b).

Fig 1c – analysis of schools with growth in the latter 2 year on year comparisons

School	2018-19 to 2019-20		2019-20 to 2020-21		Overall change	
	No of pupils	%	No of pupils	%	No of pupils	%
002	35	10.3%	5	1.3%	40	11.8%
007	3	0.5%	2	0.3%	5	0.8%
034	20	6.9%	3	1.0%	23	8.0%
035	13	3.3%	5	1.2%	18	4.5%
037	7	1.6%	2	0.5%	9	2.1%
072	1	0.6%	1	0.6%	2	1.1%
084	25	3.3%	24	3.1%	49	6.6%
109	1	0.4%	2	0.9%	3	1.3%

Thus, if the criteria were based on a 2 year trend, the total number of schools to consider is 31 i.e. 17 with a 4 year trend (Fig 1a) plus 6 with a 3 year trends (Fig 1b) plus 8 with a 2 year trend (Fig 1c).

Fig 1d – analysis of schools with falling rolls in all 4 year on year comparisons

School	2016-17 to 2017-18		2017-18 to 2018-19		2018-19 to 2019-20		2019-20 to 2020-21		Overall change	
	No of pupils	%	No of pupils	%						
015	-21	-13.7%	-1	-0.8%	-28	-21.4%	-20	-19.4%	-70	-45.8%
057	-2	-0.8%	-1	-0.4%	-2	-0.8%	-7	-2.8%	-12	-4.8%
059	-5	-1.6%	-9	-3.0%	-11	-3.7%	-13	-4.6%	-38	-12.3%
060	-13	-8.2%	-17	-11.7%	-13	-10.2%	-10	-8.7%	-53	-33.5%
064	-5	-2.1%	-9	-3.8%	-11	-4.9%	-23	-10.7%	-48	-20.1%
107	-42	-3.2%	-40	-3.2%	-112	-9.2%	-137	-12.4%	-331	-25.6%

Fig 1e – analysis of schools with falling rolls in the latter 3 year on year comparisons

School	2017-18 to 2018-19		2018-19 to 2019-20		2019-20 to 2020-21		Overall change	
	No of pupils	%	No of pupils	%	No of pupils	%	No of pupils	%
016	-8	-2.4%	-2	-0.6%	-12	-3.8%	-22	-6.7%
069	-3	-0.9%	-14	-4.4%	-10	-3.3%	-27	-8.4%
073	-4	-1.3%	-11	-3.7%	-6	-2.1%	-21	-7.0%
079	-4	-2.1%	-3	-1.6%	-1	-0.5%	-8	-4.1%

Thus, if the criteria were based on a 3-year trend, the total number of schools to consider is 10 i.e. 6 with a 4-year trend (Fig 1d) plus 4 with a 3-year trend (Fig 1e).

Fig 1f – analysis of schools with falling rolls in the latter 2 year on year comparisons

School	2018-19 to 2019-20		2019-20 to 2020-21		Overall change	
	No of pupils	%	No of pupils	%	No of pupils	%
014	-28	-20.1%	-4	-3.6%	-32	-23.0%
017	-1	-0.3%	-1	-0.3%	-2	-0.6%
032	-5	-3.0%	-9	-5.6%	-14	-8.4%
039	-14	-4.0%	-33	-9.9%	-47	-13.6%
046	-44	-9.8%	-28	-6.9%	-72	-16.1%
052	-11	-2.9%	-1	-0.3%	-12	-3.2%
056	-33	-14.5%	-24	-12.3%	-57	-25.0%
068	-9	-4.2%	-2	-1.0%	-11	-5.1%
071	-10	-2.4%	-14	-3.4%	-24	-5.7%
090	-12	-7.6%	-11	-7.5%	-23	-14.6%
108	-2	-1.3%	-2	-1.3%	-4	-2.6%

Thus, if the criteria were based on a 2 year trend, the total number of schools to consider is 21 i.e. 6 with a 4 year trend (Fig 1d) plus 4 with a 3 year trend (Fig 1e) plus 11 with a 2 year trend (Fig 1f).

Appendix B

Request for one-off funding in financial year 2020-21 due to the impact of changes in pupil numbers as a result of growth or falling rolls.

APPLICATION							
School name:							
Basis of application:	Growth or Falling rolls?						
	2020-21		2019-20		2018-19		2017-18
3-year trend in pupil number change	Year 3		Year 2		Year 1		
Impact on school							
Financial							
Other							
Headteacher:							
Date:							
INITIAL REVIEW BY WIRRAL COUNCIL OFFICERS							
Financial award:							
Rationale:							
REVIEW BY SCHOOL'S FORUM							
Outcome:							
Date:							

WIRRAL COUNCIL

WIRRAL SCHOOLS FORUM 24th November 2020

REPORT OF THE DIRECTOR FOR CHILDREN, FAMILIES AND EDUCATION

Covid-19 Survey of Costs

1. EXECUTIVE SUMMARY

The purpose of this report is to provide Forum with the actual costs of Covid-19 as requested by the Forum Members. Due to the continually changing situation the costs relate to the period March 2020 - to October 2020.

2. BACKGROUND

It was agreed that a survey to identify all Covid-19 Costs would be sent to all Wirral Headteachers and responses would be reported back to the November meeting. This is to include all additional costs that schools have incurred, not just the costs they have been able to re-claim. A copy of the letter and survey can be found in Appendix 1.

3. Summary of School Responses

There were 64 responses to the survey. Table 1 identifies the responses from each phase, and the split between maintained schools and academies.

Table 1

Phase	Academy	Maintained	Total
Nursery		1	1
Primary	5	43	48
Secondary	9	1	10
Special		5	5
Grand Total	14	50	64

4. Summary of Costs

The total cost of Covid-19 for the 64 responses totals £2,6m, including loss of income can be identifies by school phase in table 2.

Table 2

Phase	Cleaning Costs	Cost of food/FSM	Educational Costs	Equipment	Building Costs	Staffing Costs	Staff Supply Costs	Loss of income	Other Costs	Total
Nursery	1,039	0	0	753	0	0	0	0	0	1,792
Primary	121,013	109,985	77,583	81,069	45,176	93,563	123,476	585,493	13,842	1,251,200
Secondary	75,954	191,456	134,936	98,583	32,183	244,848	78,048	308,890	42,531	1,207,427
Special	9,024	2,129	8,242	8,737	6,249	2,395	4,943	59,439	1,077	102,236
Grand Total	207,030	303,570	220,761	189,141	83,608	340,807	206,467	953,822	57,449	2,562,654
%age of Costs	8%	12%	9%	7%	3%	13%	8%	37%	2%	100%

- All schools have had some spend on cleaning costs, with spend ranging from £158 to £19,160.
- 42 schools identified spend relating to cost of food or FSM, with spend ranging from £30 to £60,000. Many Schools signed up to Edenred vouchers so have had none or small costs. 2 PFI schools have costs totalling £110k due to outstanding issues with their meals provider.
- Loss of income is by far the biggest area of costs to schools at 37% of overall costs.

5. Summary of Income Received

Total Income received in respect of the 64 schools who responded from Exceptional Grants income (received so far) and Staff Furlough totals £369k as identified in table 3.

Table 3

Row Labels	Exceptional Grant claimed	Exceptional Grant received	Furlough income received	Total Income received
Nursery	10,000	10,200	0	10,200
Primary	338,872	173,519	51,879	225,398
Secondary	56,139	49,139	81,126	130,265
Special	24,889	3,211	0	3,211
Grand Total	429,900	236,069	133,005	369,073

- There is also a further possible £193,169 income due if all of the remaining exceptional grant is paid to schools. The ESFA are currently checking the data provided and will confirm what will be paid out in due course.
- The income received is 14% of the additional costs incurred by schools.

RECOMMENDATIONS

1. Forum notes the Report

Paul Boyce
Director for Children, Families and Education



Wirral Council

Business Management
LMS Team

PO Box 290
Brighton Street
Wallasey
CH27 9FQ

Head Teacher
Sent on behalf of Wirral Schools' Forum

www.wirral.gov.uk

Date: 29 October 2020

Your Ref:

Our Ref: LMS

Service: LMS Team

Tel No: 0151 666 4260

Dear Colleague

Financial Impact of Covid-19 on School Budgets

At the Schools Forum Meeting held on 29th September 2020 Forum members requested a report to highlight the financial impact of Covid-19 on School Budgets.

It was agreed that a survey to identify all Covid-19 Costs would be sent to all Wirral Headteachers and responses would be reported back to the November meeting. This is to include all costs that schools have incurred, not just the costs they have been able to re-claim.

Can you please complete the attached survey form covering all Covid-19 costs, loss of income and income received up to 30th October 2020. Please return this form to lmsteam@wirral.gov.uk no later than Friday 13th November so the data can be collated for the Forum Meeting held on 24th November 2020.

Thank you.

Yours Sincerely

A handwritten signature in cursive script that reads "Sue Ashley".

Sue Ashley
Principal Officer LMS and Finance

Sent on behalf of Wirral Schools' Forum

Financial Impact of Covid-19 on School Budgets – Survey Return

Please complete the attached form electronically and return it in Word format. This is so it can be easily copied and pasted into Excel for comparison. Return to lmsteam@wirral.gov.uk no later than Friday 13th November.

Headteacher		School Name			DfE Refence			
Cleaning Costs	Cost of food/FSM	Educational Costs	Equipment	Building Costs	Staffing Costs	Staff Supply Costs	Loss of income	Other *
£	£	£	£	£	£	£	£	£
Exceptional Grant claimed	Exceptional Grant received	Furlough income received	* Other Description					
£	£	£						

Notes for completion – this is not an exhaustive list please use the most appropriate category for your spend

Please enter monetary value in round pounds.

Include all Covid-19 costs, loss of income and income received or due up to 30th October 2020. Include estimates based last year if exact figures cannot be provided.

Cleaning Costs – includes additional cleaning materials, excludes staffing.

Cost of Food/FSM – includes additional cost of meals not covered by Edenred or the LA. Additional cost of providing packed lunches for children self-isolating.

Educational Costs – includes additional stationery, books, licences, equipment for pupils.

Equipment – Covid signage, PPE, additional furniture to enable social distancing, additional stationery, licences, equipment not included in educational costs.

Building Costs – Additional alterations to the building and outdoor areas required to meet Covid guidelines.

Staffing Costs – Additional hours of any staff due to Covid issues e.g cleaners, TAs doing additional hours during school holidays. Cost of Covid related training for staff.

Staff Supply costs – additional supply to cover for staff self-isolating, enabling Covid friendly groups.

Loss of income – includes loss of income from children’s meals, before/after school clubs, holiday clubs, hire of rooms

Other – If costs do not fit into any of the headings above add to this column and provide a short description of costs.

Exceptional Grant claimed – Total amount claimed

Exceptional Grant received – Amount received so far or due shortly. (No information as yet on when “other” claims will be paid out.

Furlough income received – income received from any staff furloughed. Include October estimate if not yet received.

WIRRAL COUNCIL

WIRRAL SCHOOLS FORUM 24th November 2020

REPORT OF THE DIRECTOR FOR CHILDREN, FAMILIES AND EDUCATION

Summary of Financial Transparency in Maintained Schools – DfE Guidance

1. EXECUTIVE SUMMARY

The DfE has completed a consultation on changes aimed at improving the transparency of financial arrangements in maintained schools.

The outcomes of this consultation have now been published here:

<https://www.gov.uk/government/consultations/financial-transparency-of-la-maintained-schools-and-academy-trusts>

2. BACKGROUND

The consultation outlined the current financial transparency arrangements for maintained schools and academy trusts and put forward a number of proposed changes. As the current transparency measures used in academies are generally stronger than those in the maintained school sector, the consultation focused on using or adapting existing academy measures to help change and improve maintained schools' financial transparency and financial health.

3. Actions already Completed by Schools

Please be aware that there are certain actions that are 'formalised' in the DfE's outcomes that our maintained schools already complete, including submitting 3-year budget forecasts to the Authority and being required to agree deficit repayment plans. As such, these are not listed as new actions below.

Maintained schools must continue to submit their returns to the Authority by the deadlines we set to enable us to continue to submit our Authority-level statutory returns, such as CFR and SFVS assurance, by the DfE's set deadlines. The DfE will now 'name and shame' authorities that are late in submitting returns.

4. New Actions

- Firstly, and **for immediate planning**, maintained schools by **1st Jan 2021 (and annually thereafter)** will be required to publish on their websites:
 - a. The number of individuals (if any) earning over £100K per annum in £10K bandings.
 - b. A link to the schools' financial benchmarking website, where the school's Consistent Financial Reporting (CFR) statement of income, expenditure and balances are published.

<https://schools-financial-benchmarking.service.gov.uk/>

The LA will provide shortly a standard format / form of words for schools to use on their websites for both a. and b.

- Secondly, **during 2021/22 and by 31 March 2022 (and then annually thereafter)**, maintained schools will be required to append a Related Party Transactions (RPTs) list to their SFVS return. This will declare to the Authority their RPTs and how the school has

appropriately managed these. Schools should then expect the Authority to follow up this information, including this forming part of the Authority's annual audit arrangements. There is a longer lead in time for this change, and we are expecting the DfE to provide some more guidance, which will inform our further guidance to school. But this is a quite significant new action, which schools must begin to plan for.

RECOMMENDATIONS

1. Forum Notes the Report

Paul Boyce
Director for Children, Families and Education

Annex 1

Agreed proposal	Who to action	Implementation date
Proposal 1: We will publish names of LAs on gov.uk if they fail to comply with deadlines for returns to the Department.	LEA	Apr-21
Proposal 2a: We will collect the number of schools with suspended budgets and notices of financial concern through the existing DSG assurance statement signed by the LA Chief Financial Officer (CFO) at the end of the financial year.	LEA	Sep-21
Proposal 2b: We will add a new section to the DSG assurance statement that captures the amounts that LAs have recovered from investigating fraud	LEA	Sep-21
Proposal 3: We will make a directed revision to LAs' schemes for financing schools to make it a requirement for maintained schools to provide LAs with three-year budget forecasts.	Schools	Apr-21
Proposal 4a: We will make schools append a list of Related Party Transactions (RPTs) to their response to the question in the Schools Financial Value Standard (SFVS) about their arrangements for managing RPTs. In addition, we will insert additional columns into the CFO Assurance Statement, so that the number of RPTs and value for each can be disclosed.	Schools	end of financial year 2021/22
Proposal 6a: We will make a directed revision to LAs' schemes for financing schools, requiring schools to submit a recovery plan to their maintaining authority when their deficit rises above 5%.	Schools	Mar-21
Proposal 6b: We will collect information on the number of recovery plans in each LA through the DSG annual assurance return from the CFO.	LEA	Sep-21
Proposal 6c: We will formalise the approach to working with LAs and include a request for high level action plans from some LAs. This will be achieved by: - Sharing published data on the school balances in each LA. - Using this data and evidence-based requests from LAs to ensure support is focused where it is needed. - Requesting high level action plans from LAs in which the number or proportion of school revenue deficits over 5% is above a certain level.	LEA	During 2021/22
Proposal 7: We will require all LA maintained schools to publish annually on their websites the number of individuals (if any) earning over £100K in £10K bandings. We will also implement proposal	Schools	Jan-21
Proposal 8 : However, in light of feedback from a number of respondents, we will require LA maintained schools to publish a link to the schools financial benchmarking website, where the Consistent Financial Reporting (CFR) statement of income, expenditure and balances is already published, instead of requiring them to publish the CFR statement annually on their own website.	Schools	Jan-21

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WIRRAL COUNCIL

WIRRAL SCHOOLS FORUM 24th November 2020

REPORT OF THE DIRECTOR FOR CHILDREN, FAMILIES AND EDUCATION

Directed Changes to the Scheme for Financing Schools

1. EXECUTIVE SUMMARY

This report informs Schools Forum of a number of directed changes to the Scheme for Financing Schools as required by the Department for Education (DfE).

2. BACKGROUND

Local Authorities (LA) are required to publish Schemes for Financing Schools setting out the relationship between the LA and the schools they maintain. DfE guidance lists the provisions which a Scheme must, should or may include. The Scheme does not apply to Academy Schools.

As the changes detailed below are all directed revisions, the LA does not need to consult all maintained schools in their area and receive the approval of the members of their schools forum representing maintained schools.

3. Directed Changes

3.1 Submission of Financial Forecasts

From the 2021 to 2022 funding year each school must submit a 3-year budget forecast each year, at a date determined by the local authority between 1 May and 30 June.

Local authorities should consider the extent to which such forecasts may be used for more than just confirming schools are undertaking effective financial planning or not. For instance, they could be used as evidence to support the local authority's assessment of schools financial value standards or used in support of the authority's balance control mechanism.

Local authorities must inform schools of the purposes for which they intend to use these 3-year budget forecasts: such a forecast may be used in conjunction with an authority's balance control mechanism.

Section 2.3.4 in the Scheme will be amended to read

3-Year Budget Forecasts

Schools must submit a 3-year budget forecast each year to ensure schools are undertaking effective financial planning. They must be provided to the LA no later than 30th June. The LA will use these forecasts to identify schools moving towards financial difficulties and to review overall school balances and projections.

3.2 Planning for Deficit Budgets

Schools must submit a recovery plan to the local authority when their revenue deficit rises above 5% at 31 March of any year. Local authorities may set a lower threshold than 5% for the submission of a recovery plan if they wish. The 5% deficit threshold will apply when deficits are measured as at 31 March 2021.

Section 4.5 in the scheme will be amended to read

Planning for Deficit Budgets

Schools must submit a recovery plan to the local authority when their revenue deficit rises above 5% at 31st March of any year. (See “Licensed Deficits” para 4.9 below where schools cannot submit a recovery plan with a balanced budget the following year). The Authority cannot write off the deficit of any school.

3.3 Fraud

A new section 2.17 on Fraud will read:

Fraud

All Schools must have a robust system of controls to safeguard themselves against fraudulent or improper use of public money and assets.

The governing body and head teacher must inform all staff of school policies and procedures related to fraud and theft, the controls in place to prevent them and the consequences of breaching those controls. This information must also be included in the induction for new school staff and governors.

4. Updates

- 4.1 The list of Maintained schools in Annex A of the Scheme has been updated to remove schools who have converted to academy since the last Scheme update.
- 4.2 Children’s Services has been changed to Department of Children, Families and Schools.
- 4.3 Director of Children’s Services has been changed to Director of Children, Families and Schools.

Conclusion

The updated Scheme for Financing Schools will be published shortly

RECOMMENDATIONS

- 1. **Forum notes the report**

Paul Boyce
Director for Children, Families and Education

**WIRRAL SCHOOLS FORUM – 10th November 2020
WORK PLAN**

Meeting Date	19th January 2021	11th May 2021	29th June 2021	September 2021	November 2021
				Elect chair & vice chair	
Budget	Budget Monitoring Schools Budget 20-21 De-delegation of budgets Update on School budgets/balances DSG Deficit update plan	Schools Budget update 2020-21 Schools Budget provisional outturn 19-20 Update on School budgets/balances	Update on School Balances and Reserves School Budget Monitoring Schools Budget provisional outturn 20-21	Budget monitoring Q2 Update on School budgets/balances Growth & Falling Rolls Report if fund continues	DSG Deficit plan Update
Consultation			2021-22 School Funding Arrangements if new info out	2021-22 National Funding Formula for Schools, High Needs and Early Years	National Funding Formula Update for 2021-22
DfE Regs & guidelines	School Finance Regulations Schools Forum Structure (identifies voting rights) Schools Forum Constitution	DfE Operational Guide if updated		School Forum Membership	School Forum Membership Financial Transparency changes Apr 2021 Scheme for Financing Schools updates
Working Groups	School Formula High Needs Early Years	School Formula High Needs Early Years	School Formula High Needs Early Years	School Formula High Needs Early Years	
Other	MEAs Update Forum Membership Wirral Traded Services Update Sensory Support Service Update Energy update Wirral	High Needs Funding arrangements	Traded Services Update LACES /LAC PP Growth Fund - Update on allocations	Forum Membership Home Tuition Update Alternative Provision School Admissions	De-delegated services <ul style="list-style-type: none"> • Contingency • Special Staff Costs • Library Service • Insurance Edsential Update Alternative Provision

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