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NOTICE OF MEETING

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SCHOOLS FORUM

will meet on

THURSDAY, 15TH JULY, 2021

At 2.00 pm

in the

VIRTUAL MEETING - ONLINE ACCESS, RBWM YOUTUBE

TO: MEMBERS OF THE SCHOOLS FORUM

SCHOOL REPRESENTATIVES: MAGGIE CALLAGHAN, ISABEL COOKE, SARAH COTTLE, JOHN FLETCHER, AMANDA HOUGH, ANDREW MORRISON, JOOLZ SCARLETT, CATHRIN THOMAS, MARTIN TINSLEY (CHAIRMAN), CHRIS TOMES (VICE-CHAIRMAN) AND MIKE WALLACE.

GOVERNORS: STEPHEN MCCORMAC

NON-SCHOOL REPRESENTATIVES: AMANDA DEAN

Karen Shepherd – Head of Governance – Issued: 01.07.21 Members of the Press and Public are welcome to attend Part I of this meeting. The agenda is available on the Council's web site at www.rbwm.gov.uk or contact the Panel Administrator David Cook

The Part I (public) section of this virtual meeting will be streamed live and recorded via Zoom. By participating in the meeting by audio and/or video you are giving consent to being recorded and acknowledge that the recording will be in the public domain.

AGENDA

PART I

<u>ITEM</u>	<u>SUBJECT</u>	<u>PAGE NO</u>
1.	<u>APOLOGIES</u> To receive apologies for absence.	-
2.	<u>DECLARATIONS OF INTEREST</u> To receive any Declarations of Interest.	5 - 6
3.	<u>MINUTES</u> To confirm the minutes from the previous meeting.	7 - 12
4.	<u>BUDGET OUTTURN AND SCHOOL BALANCES 2020/21</u>	13 - 24
5.	<u>BUDGET MONITORING AND FORECAST 2021/22</u>	To Follow
6.	<u>SOCIAL, EMOTIONAL AND MENTAL HEALTH FUTURE PROVISION</u>	To Follow

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MEMBERS' GUIDE TO DECLARING INTERESTS IN MEETINGS

Disclosure at Meetings

If a Member has not disclosed an interest in their Register of Interests, they **must make** the declaration of interest at the beginning of the meeting, or as soon as they are aware that they have a DPI or Prejudicial Interest. If a Member has already disclosed the interest in their Register of Interests they are still required to disclose this in the meeting if it relates to the matter being discussed.

A member with a DPI or Prejudicial Interest **may make representations at the start of the item but must not take part in the discussion or vote at a meeting.** The speaking time allocated for Members to make representations is at the discretion of the Chairman of the meeting. In order to avoid any accusations of taking part in the discussion or vote, after speaking, Members should move away from the panel table to a public area or, if they wish, leave the room. If the interest declared has not been entered on to a Members' Register of Interests, they must notify the Monitoring Officer in writing within the next 28 days following the meeting.

Disclosable Pecuniary Interests (DPIs) (relating to the Member or their partner) include:

- Any employment, office, trade, profession or vocation carried on for profit or gain.
- Any payment or provision of any other financial benefit made in respect of any expenses occurred in carrying out member duties or election expenses.
- Any contract under which goods and services are to be provided/works to be executed which has not been fully discharged.
- Any beneficial interest in land within the area of the relevant authority.
- Any licence to occupy land in the area of the relevant authority for a month or longer.
- Any tenancy where the landlord is the relevant authority, and the tenant is a body in which the relevant person has a beneficial interest.
- Any beneficial interest in securities of a body where:
 - a) that body has a piece of business or land in the area of the relevant authority, and
 - b) either (i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body **or** (ii) the total nominal value of the shares of any one class belonging to the relevant person exceeds one hundredth of the total issued share capital of that class.

Any Member who is unsure if their interest falls within any of the above legal definitions should seek advice from the Monitoring Officer in advance of the meeting.

A Member with a DPI should state in the meeting: ***'I declare a Disclosable Pecuniary Interest in item x because xxx. As soon as we come to that item, I will leave the room/ move to the public area for the entire duration of the discussion and not take part in the vote.'***

Or, if making representations on the item: ***'I declare a Disclosable Pecuniary Interest in item x because xxx. As soon as we come to that item, I will make representations, then I will leave the room/ move to the public area for the entire duration of the discussion and not take part in the vote.'***

Prejudicial Interests

Any interest which a reasonable, fair minded and informed member of the public would reasonably believe is so significant that it harms or impairs the Member's ability to judge the public interest in the item, i.e. a Member's decision making is influenced by their interest so that they are not able to impartially consider relevant issues.

A Member with a Prejudicial interest should state in the meeting: ***'I declare a Prejudicial Interest in item x because xxx. As soon as we come to that item, I will leave the room/ move to the public area for the entire duration of the discussion and not take part in the vote.'***

Or, if making representations in the item: ***'I declare a Prejudicial Interest in item x because xxx. As soon as we come to that item, I will make representations, then I will leave the room/ move to the public area for the entire duration of the discussion and not take part in the vote.'***

Personal interests

Any other connection or association which a member of the public may reasonably think may influence a Member when making a decision on council matters.

Members with a Personal Interest should state at the meeting: ***'I wish to declare a Personal Interest in item x because xxx'. As this is a Personal Interest only, I will take part in the discussion and vote on the matter.***

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Agenda Item 3

SCHOOLS FORUM

THURSDAY, 21 JANUARY 2021

PRESENT: Isabel Cooke, Andrew Morrison, Amanda Dean, Martin Tinsley (Chairman) and Michael Wallace

Also in attendance: Councillor Gurpreet Bhangra, Councillor David Cannon, Councillor Maureen Hunt and Councillor Neil Knowles

Officers: Mark Beeley, Kevin McDaniel, Tracey Anne Nevitt, James Norris, Fatima Rehman and Sarah Ward

APOLOGIES

Apologies for absence were received from Maggie Callaghan, John Fletcher and Joolz Scarlett. An offline apology was received from the Vice Chairman during the meeting. Stephen McCormac was no longer a governor for Forest Bridge School, and therefore no longer a member of the Forum.

DECLARATIONS OF INTEREST

None.

MINUTES

RESOLVED UNANIMOUSLY: That the minutes of the meeting held on 19 November 2020 be approved.

BUDGET MONITORING AND FORECAST 2020/21

James Norris, Head of Finance, introduced the report as an update on the in-year financial position of the Dedicated Schools Grant (DSG). The forecast for the deficit budget position at the end of March 2021 was being compiled. The total DSG allocation for 2021/22 was £124mn.

The projected in-year deficit was £388,000 against the Local Authority (LA) administered budget of £65mn, which adversely moved the budget by £180,000, compared to the position reported in the last meeting. This was due to increased cost and volume of placements in independent special schools from Autumn 2020 and projected until Spring 2021. There could be an additional £300,000 overspend due to factors such as the individual provision for pupils, the matrix payments, and bandings of the children. Data from Christmas 2020 onwards had shown a likely increase in overspend.

A deficit of £1.4mn was projected (1.1.% of the overall budget allocation), and if the £300,000 did materialise, the overspend would increase to £1.7mn (1.4% of the overall budget allocation). Due to the deficit position moving forward, a mandatory submission of a Deficit Management Plan (DMP) was required, which demonstrated how the LA would recover from the deficit position. The biggest overspend was in the High Needs Block.

The Chairman asked how the deficit position of the LA compared to neighbouring authorities and the Panel was informed that the LA was in a more favourable position than Richmond and Kingston, though nationally, all authorities were in a similar position.

Kevin McDaniel, Director of Children's Services, said several issues led to this, including a need for a review in the system, with an upcoming Special Educational Needs (SEN) review to take place by the Department for Education (DfE). Activities that previously allowed a drive to 0% rise of costs for non-maintained special schools could no longer be exercised during COVID-19 due to national guidance to protect suppliers. There was also a spike in children with an Education, Health and Care Plan (EHCP) and additional challenges due to the loss of normality.

The Chairman asked if the DfE was to provide leeway due to COVID-19, and the Forum was informed that regulations had tightened since the pandemic and therefore a DMP was required. The Chairman raised his concerns about children not being funded enough to meet their support needs.

(Sarah Cottle joined the meeting.)

The Panel noted the item.

DEDICATED SCHOOLS GRANT BUDGET ALLOCATION 2021/22 AND DEFICIT MANAGEMENT PLAN

James Norris said the purpose of the report was to provide an update on the indicative settlement in 2021-22, the submission of the draft Authority Pro-forma Tool (APT) and the DMP.

The Chairman asked if the DMP could be delayed until the full impact of COVID-19 could be assessed, and the Forum was informed it would be unlikely to have a definitive plan and caveats would be put in place to allow variances.

The Chairman asked for Councillors present in the meeting to inform the Council that any action was short-term, with a review of longer-term plans post COVID-19. Councillor Hunt affirmed she would take this forward.

James Norris said there was an increase in the Schools Block, which would be passed onto the schools directly through the local formula. As the budget setting exercise was undertaken in advance of the December 2020 settlement, there was a need for budget realignment in the new financial year.

(Councillor Knowles joined the meeting.)

The LA was required to submit the draft Authority Pro-forma Tool (APT) to the Education Skills Funding Agency to ensure allocation of funding was going to academies and maintained schools equitably. This was to be approved by the Council on 23 February 2021.

The Chairman asked for a summary of why there was an increasing deficit going forward, and the Forum was informed that since 2016/17, the budget was in deficit. The Dedicated Schools Grant (DSG) deficit was steadily rising and there was approximately £1mn overspend in the High Needs Block (HNB). There were opportunities and underspends in the central block and growth fund, which had been factored in and could be released this year. The DSG deficit was forecasted to be £1.4mn in March 2021 and school balances had reduced over the same period by 40%. More money was going out of the system than in.

The Chairman said the growth in the HNB was worrying and the schools that had built up resilience were having to use them to close the gap within the budgets.

James Norris said that using trend data, it was forecasted that by 2024/25, if no changes in processes and practices were made, there would be a deficit in all blocks amounting to £8.2mn. It was proposed to pay off the current £1.4mn deficit in the next four financial years and reduce costs by £400,000 annually.

Kevin McDaniel explained the proposed list of DMP actions to help reduce costs, including:

- Block transfers - Block transfers could be made to provide greater resource to the HNB.
- Review existing Specialist Resource Provision – Have a wider collection of bases to support individual expertise within existing schools or settings to keep children in EHCP plans within the local system, rather than mainstream schools where support was given individually.
- Open new Resource units.
- Improved commissioning including annual reviews, inflation negotiations - Reassess the way annual reviews were done so that value for money and the outcomes were identified. There was additional capacity in the system to make annual reviews focused on provision and its impact.
- Increased contributions from partners – Young people received contributions from the health services for their conditions. The health services said they could be more responsive with the funding streams from the NHS to bring more resources. National mental health programs funded by the NHS would be rolled out in the next 4 years. Work would be done to see how the skills could be used to divert expenditure elsewhere.

(Councillor Cannon left the meeting.)

- Local SEN place sufficiency plan – Ensure there were enough places locally in special schools rather than resource units. Manor Green had grown significantly and the number of students with additional needs had increased in the college sector. Instead of sending children out of the borough, provisions could be made locally and ensure the authority was an influential commissioner. This could increase attractiveness to families and children with challenges outside of the borough.
- Post 16 pathway planning and proactive promotion of vocational pathways – With the change to EHCPs running up to the age of 25, there was an increasing proportion of young people accessing residential colleges outside the area, which was expensive. Feedback from young people suggested they would prefer accessing education while living in their existing community, which would reduce the cost.
- Annually review the use and value for money of notional SEN funding with evidence that it is being used built into processes – Ensure there was consistency in provision, as the borough was diverse in the distribution of EHCP pupils.
- Review of High Needs Block activities for cost effectiveness – To ensure the activities add value and evaluate each funded cost centre.
- Review other block expenditure projections – Ensure the budget plan had credibility.

The Chairman asked if the actions were feasible and the Forum was informed there was no choice and there was a need to nationally pressure the system to be just.

The Chairman asked if there was any progress in plans to allocate borough children in local special schools before other boroughs, and the Forum was informed that there was limited progress because of law and regulations in admissions. The challenge was when children from other boroughs were having in-year transfers because of placement breakdown, and therefore remained the following year. Work needed to be done to stabilise placements to avoid breakdowns.

The Chairman said extra resource units would be greatly received by headteachers, as it made sense for children to be taught in their community. Kevin McDaniel said there was a significant growth fund allocation in mainstream schools planning, which was an allowable sum of money within the Schools Block to be delegated to the plan to provide the right units. The Forum could share the growth revenue to enable the units to start quickly.

Michael Wallace raised his concern regarding the proposed resources, not units, that were spread between Windsor and Maidenhead. The children that went out of borough for a specialist education would not be suitable for resource provision but for a resource unit. Children would still travel a significant distance within the borough and would be away from their local community. Kevin McDaniel agreed and said the budget forecast had an additional cost for the items on the plan. This would not make a big cost saving for out of borough children and there was a need for a bigger group of schools to be willing to be involved in the conversation.

Kevin McDaniel asked if the Forum would be willing to write to the DfE about the concerns of the Forum and to recognise the Director of Children's Services was from the local authority, which was one part of the triumvirate. The Chairman agreed and thanked the officers for their efforts.

SCHOOL BUDGET FUNDING 2021/22

James Norris introduced the item and said the purpose of the report was to provide a summary of the results of the consultation from November 2020, decide which budget model should be implemented, give an update on the Growth Fund allocation 2021/22 and decide the proposed de-delegation rates for 2021/22 for maintained schools.

Three models were proposed by the local authority, following response from the consultation. The only difference between Model 1 and Model 2 was the minimum funding guarantee (MFG) at 0.5% and 1.5% respectively.

A total of 23 schools (39%) responded to the consultation representing 8,660 pupils (40%). This was an increase on previous response rates and efforts would be made to increase this response rate further for next year.

Of the schools that responded to the consultation:

- 65% supported retaining MFG at 0.5%, Model 1.
- 87% supported targeting funding at local priorities such as deprivation funding.
- 91% supported the Looked After Children factor to remain at the current rate. Responses suggested this was crucial for the vulnerable groups during COVID-19.
- 78% supported the proposal to target headroom at lump sum allowance. A small fraction of schools proposed using the headroom suggested as an alternative methodology, based on the number on roll or further funding towards the deprivation factors.
- 74% supported Model 1, therefore it was recommended to adopt Model 1.
- 78% supported the proposal to target headroom at lump sum allowance. A couple of schools opposed the approach and proposed a formulaic based approach rather than lump sum.

It was noted that the lump sum would increase from £120,821 to £123,960 per school, while in the initial modelling, the increase was anticipated to be 40% higher. Factors that decreased the additional funding included a 30% increase in the eligibility of pupil's free school meals and a shift in the number of pupils attracting the Low Prior Attainment funding.

Members voted on the adoption of Model 1.

RESOLVED UNANIMOUSLY: That the adoption of Model 1 be approved.

James Norris said the indicative growth fund for the next financial year was £680,000, based on the forecasted demand on the future level of placements for pupils.

It was proposed that the de-delegation rates for 2020/21 for maintained primary and secondary rates to remain the same. Due to the shift in Income Deprivation Affecting Children

Index and deprivation, there was less funding available to support behavioural support services based on the current costing model. Funding received was approximately £26,000 and therefore it was recommended to continue the level of service for the 2021/22 financial year. This was considering the pandemic and the ability to use some of the carried forward to fund the shortfall.

Michael Wallace said one should be prudent to use carried over figures to support the behaviour support team for when schools reopened, in case there were additional needs the team needed to aid in. Moving forward, the impact against cost of each team needed to be reviewed.

On behalf of the primary sector Mike Wallace approved the de-delegation rates. It was agreed that a decision in respect of the Secondary Sector should be deferred until the Vice Chairman was present.

RESOLVED: That the proposed de-delegation rates for 2021/22 for the Primary Sector be approved.

ACTION: The vote for the proposed de-delegation rates for 2021/22 be deferred in for the Secondary Sector until the next Schools Forum meeting.

James Norris said funding rates increased by 8p per hour for two-year-olds and 6p per hour for three- and four-year-olds. It was suggested to perform a low-level consultation to ask if there was an appetite for the funding to be increased, with the results brought back at the next meeting. The rate changes would be effective by 1 April 2021.

Kevin McDaniel said the government adjusted its guidance to enable a census based on the number of children expected post-pandemic, therefore sufficient money would be available next year for early year settings. Sarah Cottle thanked Kevin McDaniel and Clive Haines, Schools Leadership Development Manager, for their support in lobbying the government in adjusting the census.

The Panel noted the item.

The Chairman thanked all officers and Members.

The meeting, which began at 2.00 pm, finished at 3.11 pm

CHAIRMAN.....

DATE.....

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Report Title:	Budget Outturn and School Balances 2020/21
Contains Confidential or Exempt Information?	No – Part I
Cabinet Member:	Councillor Stuart Carroll - Deputy Chairman of Cabinet, Adult Social Care, Children’s Services, Health and Mental Health
Meeting and Date:	Schools Forum 15 July 2021
Responsible Officer(s):	Kevin McDaniel - Director of Children’s Services James Norris - Head of Finance Achieving for Children (RBWM)
Wards affected:	All

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REPORT SUMMARY

The purpose of this report is to provide the Schools Forum with the financial position for 2020/21 along with a summary of associated material variances; the reserve deficit balance, maintained schools balances and delegated balances as at 31 March 2021. Details are set out in sections 2 to 4.

1. DETAILS OF RECOMMENDATION

- 1.1 **RECOMMENDATION: That Schools Forum notes the report including the reported variance, deficit balance carried forward, maintained schools balances and de-delegated balances as at 31 March 2021.**

2. REASONS FOR RECOMMENDATION AND OPTIONS CONSIDERED

2.1 FINANCIAL SUMMARY

- 2.1 The Schools Budget 2020-21 of £64,987,000 consists of £34,863,000 of maintained schools delegated budgets and £30,124,000 central schools budget (including Early Years and High Needs). Delegated budgets are treated as spent as soon as they are delegated, and more information on maintained school balances is given in section 4 of this report. The dedicated schools grant budget ended the financial year 2020-21 with a net overspend of £766,000.

2.2 The final material variances are as follows:

- Schools Block (£451,000) - Schools Growth Fund underspend due to lower levels of pupil growth than funding allocation (£459,000)
- Central School Services Block (£168,000) - central operational budget underspends including historical rental rebate (£77,000) and staffing underspends of (£71,000)
- Early Years Block £441,000 - Private, Voluntary & Independent Nurseries clawback settlement 2019/20 (£360,000) due to lower levels of take-up in that period; deferred Education Skills Funding Agency funding of £808,000 to be received in 2021/22

- High Needs Block £1,752,000 - increased costs relating to the provision of Independent Special schools and other associated direct support packages £1,315,000 and Top Up Funding of £400,000 to place children in local mainstream and special schools
- Dedicated Schools Grant (£808,000) – accrued receipt of deferred Education Skills Funding Agency funding of (£808,000) to be receipted in 2021/22

2.3 Table 1 sets out the summarised financial position for 2020-21

Table 1 Summarised Financial Position

Schools Block Budget	S251 Budget Allocation	Less Academy Recoupment & Direct Funding	DfE In-Year Budget Changes	Current Budget	Forecast Variance	Current Forecast
	£000	£000	£000	£000	£000	£000
<u>Expenditure</u>						
Schools	91,762	(56,899)	0	34,863	(451)	34,412
Central School Services	1,073	0	0	1,073	(168)	905
Early Years	8,918	0	244	9,163	441	9,604
High Needs	21,992	(2,263)	159	19,888	1,752	21,640
TOTAL EXPENDITURE	123,745	(59,162)	403	64,987	1,574	66,561
<u>Funding</u>						
Dedicated Schools Grant	(123,745)	59,162	(403)	(64,987)	(808)	(65,795)
TOTAL FUNDING	(123,745)	59,162	(403)	(64,987)	(808)	(65,795)
NET EXPENDITURE	0	0	0	0	766	766
Summary					£000	
Total in year (surplus) / deficit					766	
Balance brought forward DSG general reserve (surplus) / deficit					1,025	
Net Projected (surplus) /deficit					1,791	

- 2.4 There has been an adverse movement of £378,000 compared with the position previously reported to Schools Forum on the 21 January 2021. Table 2 sets out a block by block comparison.

Table 2 Material forecast variances

Schools Budget	Previously Reported	Outturn	Movement
	£000	£000	£000
Service			
Schools Block	(450)	(451)	(1)
Central School Services Block	(52)	(168)	(116)
Early Years Block	(93)	441	534
High Needs Block	983	1,752	769
Dedicated Schools Grant	0	(808)	(808)
Net Variance	388	766	378

- 2.5 The material movements between outturn and the position previously reported to Schools Forum on the 21 January 2021 are as follows:

- Central Block (£116,000) - central operational budget underspends including release of historical rental rebate (£77,000) and staffing underspends of (£19,000)
- Early Years Block £534,000 - Private, Voluntary & Independent Nurseries clawback settlement 2019/20 (£360,000) due to lower levels of take-up in that period; deferred Education Skills Funding Agency funding of £808,000 to be receipted in 2021/22 reflected in Dedicated Schools Grant service
- High Need Block £769,000 – increased unit costs and volumes relating to the provision of Independent Special schools and other associated direct support packages £515,000 and Top Up Funding to place children in local mainstream and special schools £206,000; others £48,000
- Dedicated Schools Grant (£808,000) - accrued receipt of deferred Education Skills Funding Agency funding of (£808,000) to be receipted in 2021/22

- 2.6 The Dedicated Schools Grant adjustment of £808,000 reflects the estimated grant due from the Education and Skills Funding Agency (ESFA) relating to the 2020/21 Early Years Block recalculation. It had been understood that the backdated payment would be received in 2020/21, however, in March 2021 the ESFA advised the allocation would form part of the annual recalculation process undertaken for all authorities in July 2021 with funds allocated in 2021/22.

- 2.7 De-delegation is the mechanism by which maintained schools pool some of their delegated budget in order to benefit from specific services that could be provided centrally in a more efficient, targeted way and at less risk to individual schools. Table 3 provides details of the financial position for 2020/21. Balances have been carried forward to 2021/22 and a review will be undertaken at the end of 2021/22 potentially leading to reimbursements to those schools contributing to the balances.

Table 3 De-delegated balances 2020/21

Schools Budget	Budget 2020/21	Net Spend 2020/21	Balance 2020/21	Brought Forward Balance 01/04/20	Carried Forward Balance 31/03/21
	£000	£000	£000	£000	£000
<u>Service</u>					
Schools Contingency	111	0	(111)	(135)	(246)
Divisional Union reps	29	0	(29)	(30)	(59)
Primary Maternity (teachers)	155	100	(55)	(94)	(149)
Secondary Maternity (teachers)	14	21	7	(13)	(7)
Behaviour Support	51	53	2	0	2
Net Variance	360	173	(187)	(273)	(460)

3. FINANCIAL DETAILS / VALUE FOR MONEY

- 3.1 The net in-year overspend is an adverse movement on the dedicated schools grant general reserve which as at 31st March 2020 was a deficit of £1,159,000; the revised deficit as at 31st March 2021 has increased to £1,925,000.
- 3.2 The balance of the DSG earmarked reserves is unchanged for 2020-21 at £134,000, therefore, the overall combined reserves are a net deficit of £1,791,000. Under the terms of the Dedicated Schools Grant conditions 2020-21 Schools Forum is requested to approve the carry forward of the deficit to 2022/23.
- 3.3 Table 4 sets out the general and earmarked DSG reserves.

Table 4 Summarised Material Movements:

	Balance @ 31st March 2020	Transfers in	Transfers Out	Expenditure 2019-20	Balance @ 31st March 2021
	£000	£000	£000	£000	£000
General DSG Reserve A	(1,159)	0	0	0	(1,925)
School to School Support	0	0	0	0	0
Capacity building for Two year olds	57	0	0	0	57
Support for Children in Care	77	0	0	0	77

Mental Health & Wellbeing Support	0	0	0	0	0
Total Earmarked Reserves B	134	0	0	0	134
Total DSG Reserve A+B (deficit)	(1,025)	0	0	0	(1,791)

3.4 The cumulative deficit for RBWM is 1.5% of the total budget allocation and is projected to increase for 2021/22.

3.5 It is a requirement for any local authority that has an overall deficit on its DSG account at the end of the financial year, or whose DSG surplus has substantially reduced during the year, to co-operate with the Department for Education (DfE) in handling that situation. In particular, the local authority must:

- Provide information as and when requested by the department about its plans for managing its DSG account in future financial years
- Provide information as and when requested by the department about pressures and potential savings on its High Needs budget
- Meet with officials of the department as and when they request to discuss the local authority's plans and financial situation
- Keep the Schools Forum regularly updated about the local authority's DSG account and plans for handling it, including High Needs pressures and potential savings

3.6 As previously reported to Schools Forum 21 January 2021, there is no single approach to developing and delivering a successful Deficit Management Plan, however, a successful plan needs to have effective, coordinated and well-executed leadership and management which impacts positively on organisational culture and means that organisational performance is strong and consistent. It also requires engagement from a variety of stakeholder groups including school leaders and other partner organisations.

3.7 There have been a number of key themes identified to be considered that will lead to a reduction in costs. The main themes are set out below:

- Block transfers - funding realignment
- Review exiting Specialist Resource Provision
- Open new Resource units
- Improved commissioning including annual reviews, inflation negotiations
- Increased contributions from partners • Local SEND place sufficiency plan
- Post 16 pathway planning and proactive promotion of vocational pathways

- Annually review the use and value for money of notional SEN funding with evidence that it is being used built in to processes
- Review of High Needs Block activities for cost effectiveness
- Review other block expenditure projections

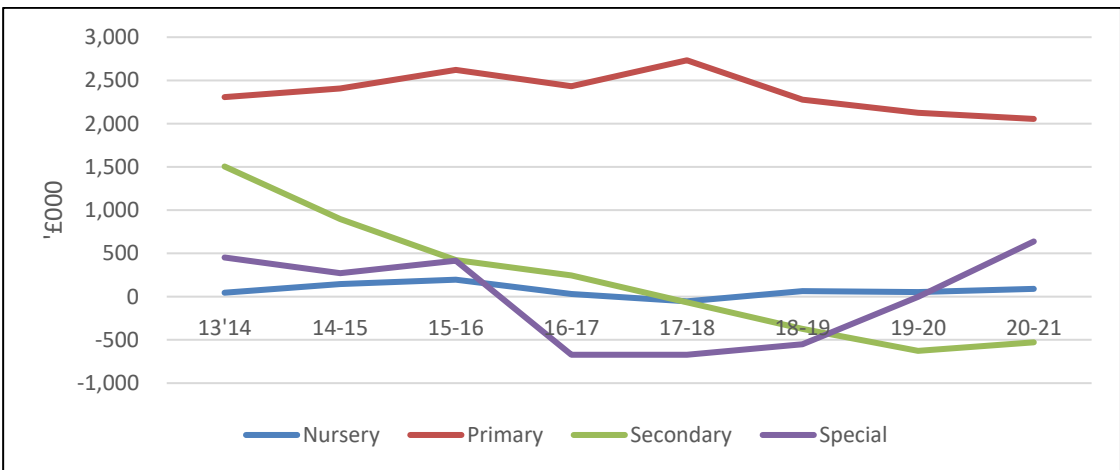
4 MAINTAINED SCHOOL BALANCES

- 4.1 This section analyses maintained school balances at the end of 2020-21 reflecting on recent trends.
- 4.2 Local Authorities do not hold information on academy school balances and the Department for Education does not publish comparable information for academies on its website, therefore, academies are excluded from the analysis.
- 4.3 In order to present the underlying outturn position, balances are shown after deducting outstanding loans.

As at 31st March 2021, the overall school balances totalled £2,253,000 equivalent to 6.6% of the delegated schools budget directly funded by the Department for Education, a net favourable movement of £701,000 (45%) on the balances compared with the previous year. The total per sector are set out in table 5.

- 4.4 Diagram 1 sets out the school balances by sector since 2013-14.

Diagram 1 Total school balances by sector 2013-14 to 2020-21

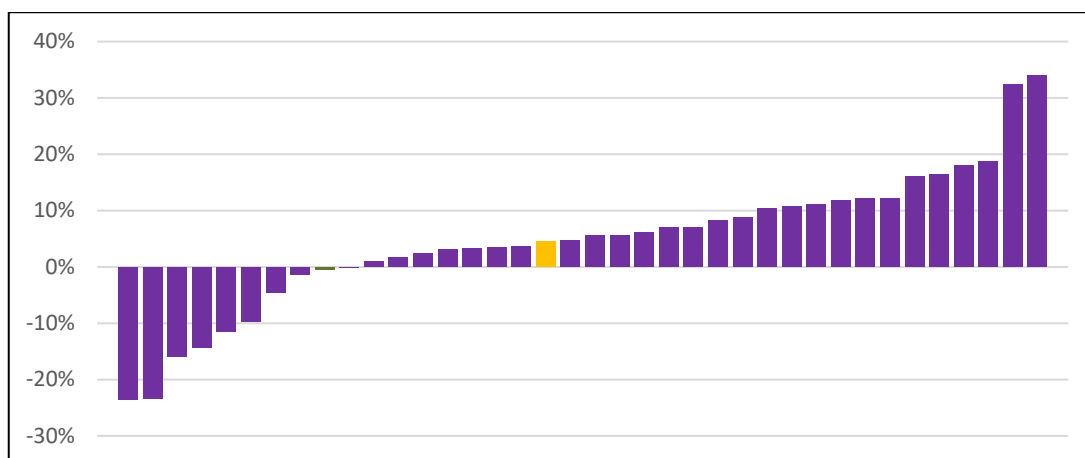


Surplus

- 4.5 Schools are funded each year mainly on the number of pupils on roll and are expected to use their resources on those pupils, reserving a small allowance for future planning, projects and operational risks. The Department for Education discourages schools from building up excessive uncommitted balances, notionally defined as 5% of budget share for secondary schools, and 8% for other schools.
- 4.6 At the end of 2020-21, 27 out of 37 maintained schools had surplus balances. The 2020-21 surplus balances total £3,742,000 an average of £138,000 per school.
- 4.7 Primary school balances ranged from a deficit of 24% to a surplus of 34%.

- 4.8 The full range of school balances is demonstrated in diagram 2; with the average balance highlighted yellow. Details of all individual maintained school balances before commitments are shown in table 6.

Diagram 2 School Balances 31st March 2021



Deficit balances

- 4.9 As at 31st March 2021, there were nine primary schools and one secondary school in a deficit position. The 2020-21 deficits total £1,489,000, an average of £149,000 per school.

Movement in School Balances per Sector

- 4.10 Nursery, secondary and special sectors have seen a favourable movement in balances whilst the primary sector have seen an adverse movement since 2019-20. A significant factor for the movement in the primary sector was the academisation of one primary school during this period. The overall movement in net school balances as reflected on the RBWM reserve accounts are shown in table 5.

Table 5 Movement in School Balances

Sector	As at 31/03/2020 Surplus / (deficit)	As at 31/03/2021 Surplus / (deficit)	Total Movement Surplus / (deficit)
	£000	£000	£000
Nursery	53	90	37
Primary	2,127	2,055	(72)
Secondary	(627)	(530)	97
Special	(1)	638	639
Total	1,552	2,253	701

- 4.11 In respect of the Special School sector there has been a materially favourable movement between the end of year balances. The movement has been delivered following the culmination of a number of targeted themes undertaken by the school over recent years including an increase in the number of out of borough pupils within the school resulting in increased income; changes in the

pupil needs matrix leading to an increased RBWM funding and increased cost controls including changes in the staffing structure.

- 4.12 Previously, like many other local authorities, RBWM has not operated a balance control mechanism to redistribute 'excessive balances'. The local authority requests details of committed and uncommitted spend for inclusion in the annual Consistent Financial Reporting (CFR) return submitted to the Education and Skills Funding Agency (ESFA).
- 4.13 Due to financial pressures Achieving for Children will review these commitments and will consider whether it is appropriate for any 'excessive balances' to be held at a school level.

Table 6 Sector and School Balances 31 March 2021

Sector	Balance 31/03/2021 Surplus / (deficit) £000	Percentage of 2021-22 Budget
Nursery		
Cookham Nursery	12	4%
Maidenhead Nursery	5	2%
The Lawns Nursery	73	16%
TOTAL for sector	90	8%
Primary		
Alexander First	(152)	(24%)
All Saints CE Junior	(204)	(16%)
Alwyn Infant And Nursery	125	11%
Boyne Hill CE Infant	34	3%
Braywood CE First	19	3%
Cheapside CE Primary	8	1%
Cookham Dean CE Primary	37	5%
Cookham Rise Primary	112	12%
Courthouse Junior	300	19%
Eton Wick CE First	(63)	(12%)
Furze Platt Infant	106	9%
Furze Platt Junior	115	7%
Hilltop First	364	32%
Holy Trinity Cookham Primary	109	12%
Holy Trinity Sunningdale Primary	(5)	(0%)
Homer First	(162)	(14%)
Kings Court First	140	18%
Larchfield Primary & Nursery	386	34%
Oakfield First	(16)	(1%)
Oldfield Primary	193	10%
Riverside Primary and Nursery School	247	12%
South Ascot Village Primary	31	3%
St Edwards Catholic First	138	11%
St Michaels CE Primary	(1)	(0%)
The Queen Anne Royal Free CE	16	2%
The Royal (Crown Aided)	30	6%
Trinity St Stephen CE First	54	8%
Waltham St Lawrence Primary	37	5%
Wessex Primary	(188)	(10%)
Woodlands Park Primary	(39)	(5%)
Wraysbury Primary	284	16%
TOTAL for sector	2,055	6%
Secondary		
Churchmead	(658)	(23%)
St Edwards Royal Free Middle	128	6%
Total for sector	(530)	(10%)

Special		
Manor Green	639	7%
Total for sector	639	7%
Total	2,253	5%

5. LEGAL IMPLICATIONS

5.1 There are no legal implications arising from this report.

6. RISK MANAGEMENT

6.1 There are no potential risks arising from this report, however, the requirement from the DfE is RBWM/AfC will agree a Deficit Management Plan to address the cumulative deficit position in the short to medium term.

7. POTENTIAL IMPACTS

7.1 Equalities. Equality Impact Assessments are published on the [council's website](#). The Equality Act 2010 places a statutory duty on the council to ensure that when considering any new or reviewed strategy, policy, plan, project, service or procedure the impacts on particular groups, including those within the workforce and customer/public groups, have been considered. It has been assessed that there are no Equality Impact risks arising from this report. Link to Equality Impact Assessments. <https://www.rbwm.gov.uk/home/council-and-democracy/equalities-and-diversity/equality-impact-assessments>

7.2 Climate change/sustainability. There are no climate change/ sustainability risks arising from this report.

7.3 Data Protection/GDPR. There are no data protection/ GDPR risks arising from this report.

8. BACKGROUND DOCUMENTS

8.1 This report is supported by the following background documents:

- Schools revenue funding 2020 to 2021 Operational guide (updated February 2020) <https://www.gov.uk/government/publications/pre-16-schools-funding-local-authority-guidance-for-2020-to-2021>

9. CONSULTATION

9.1 There is no requirement for stakeholder consultation arising from this report.

10. TIMETABLE FOR IMPLEMENTATION

10.1 There is no timetable for implementation of any actions arising from this report.

11. CONSULTATION (MANDATORY)

Name of consultee	Post held	Date sent	Date returned
Cllr Stuart Carroll	Deputy Chairman of Cabinet, Adult Social Care, Children's Services, Health and Mental Health	21-06-21	07-07-21
Duncan Sharkey	Chief Executive	21-06-21	21-06-21
Andrew Durrant	Executive Director of Place	21-06-21	23-06-21
Adele Taylor	Executive Director of Resources/S151 Officer	21-06-21	24-06-21
Kevin McDaniel	Executive Director of Children's Services	21-06-21	21-06-21
Hilary Hall	Executive Director Adults, Health and Housing	21-06-21	21-06-21
Andrew Vallance	Head of Finance	21-06-21	07-07-21
Elaine Browne	Head of Law	21-06-21	29-06-21
Emma Duncan	Deputy Director of Law & Strategy / Monitoring Officer	21-06-21	29-06-21
Nikki Craig	Head of HR, Corporate Projects and IT	21-06-21	29-06-21
Louisa Dean	Communications	21-06-21	29-06-21
Karen Shepherd	Head of Governance	21-06-21	21-06-21

REPORT HISTORY

Decision type:	Urgency item?	To Follow item?
Key Decision	No	No
Report Author: James Norris - Head of Finance Achieving for Children (RBWM)		