



BOURNEMOUTH, CHRISTCHURCH and POOLE (BCP) SHADOW SCHOOLS FORUM

Subject	Central School Services 2019-20
Meeting Date	14 December 2018
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Status	Public
Classification	For decision - all members eligible to vote
Executive Summary	The Central School Services Block of the DSG provides funding to support services for all schools and the DSG funding system as a whole. It includes funding for historic commitments at the level of the 2018-19 allocations but with funding for on-going functions reducing by 2.5% per year.
Recommendations	The budgets for central school services are to be agreed at the level of funding as set out in this report, with the LA making the appropriate savings required.
Reasons for Recommendations	LA statutory services support the education system as a whole with savings made to reflect the reduction in funding. The historic commitments are on-going in 2019-20 and future years.

Background

1. The School Funding Consultation issued in November 2018 included the proposal that the funding through the Central School Services Block is allocated for the related statutory LA services and historic commitments.
2. A national formula was introduced for 2018-19 to determine LA allocations for on-going statutory services for all schools. It is largely based on pupil numbers with an allowance made for relative deprivation across LAs.
3. There is a protection arrangement in place with BCP higher levels of historic funding protected with a maximum reduction of 2.5% per year.
4. The block also includes funding for historic commitments at previous levels but the DfE has signalled these allocations will start to reduce in 2020-21.
5. Services for maintained schools only are not part of this funding block. Proposals to fund these services will come forward in the January meeting.



Proposed Central Schools Services Budget

6. The budget proposed for 2019-20 is scheduled in the table below. :

Table 1: Summary of Central School Services 2018-19 and 2019-20

Central School Services	2018-19 £000's	Savings £000's	2019-20 £000's
On-going Functions:			
School admissions	620	(15)	605
In year fair access	145		145
Servicing Schools Forum	42	(11)	31
Licences purchased by DfE	226		226
DCC support costs	13	(13)	0
Ex ESG services all schools	746	(6)	
- Statutory & Regulatory Duties			360
- Education Welfare			300
- Asset Management			80
Total On-going Functions	1,792	(45)	1,747
Estimated Funding	1,792	(45)	1,747
Commitments:			
Premature retirements (ex DCC)	16		16
Commitments - ASD Base	275		275
Total Budget	291	0	291
Confirmed Funding	291	0	291
Total DSG and Budget	2,083	(45)	2,038

- Funding for on-going LA functions will take into account the numbers on roll at October 2018 census with the protected rate of £38.63 applied (2.5% reduction from baseline 2018-19 agreed with Dorset and the DfE). There will therefore be a small adjustment to the funding above in the final December Settlement with the ex-ESG services contribution to LA costs updated as a result.
- Work is progressing to finalise budget allocations in bringing the 3 LA areas together with much of the service activity focusing on day one delivery. The new staffing structure and activities within teams has not yet been determined. This will follow the appointment of the Director for Children's Services and other senior posts across the services. In consequence, the budgets supporting DSG activities remain at a summary level at this stage with the expectation that there will be changes during the year.
- Funding for commitments of £291k is the same as last year with this now fixed for 2019-20.



School Admissions / In-year Fair Access

10. Some savings are proposed for the school admissions work to reflect efficiencies from LGR. Only part year savings are possible as the admission round for September 2019 will need to continue within 3 separate systems, processes and locations. This is to ensure a safe service transition for this important and highly visible service to the public.
11. The in-year fair access budget for allocation to schools has historically been included here by Bournemouth. A much smaller budget (also at historic level) is included within the high needs budget (support for inclusion). A consistent policy for all schools will be developed by the services for next year.

School Forum

12. The Schools Forum budget supports the cost of the meeting itself and attendance of early years voluntary and private sector members at sub group meetings. There is also an apportionment for officer time working on the Forum business. The budget has been set at the level of the existing Bournemouth budget with the current budgets in Poole and Christchurch (share of Dorset) saved as a direct result of LGR.

DfE Licenses

13. The list of licences negotiated on behalf of all schools by the DfE was included in the funding consultation. However, the LA has no influence over which licenses are included or the level of the DfE change on the DSG. These costs will be updated by the DfE in the December Settlement based on the calculation methods for each license and the numbers on roll at the October 2018 census.

Ex ESG Services

14. These services are LA statutory duties on behalf of all schools, including academies and special schools. The proposed budget allocations have been reduced to reflect saving from LGR. The list of these services was included within appendix 6 of the consultation alongside the different duties for maintained schools only for clarity.
15. High level budgets for planning purposes within statutory and regulatory duties include:
 - Director Services – note that there is to be a dedicated director for Children's Services for BCP (not shared with Adult Services).
 - Facilitation of the BCP Learning Partnership.
 - Planning for the service as a whole - management and administration costs apportioned.
 - Formula and accountancy work related to the DSG – for example, development of the schools and early years formulae, budgeting, accounting, monitoring of the DSG, budget and data returns, liaison with DfE generally, activities of internal audit and the Chief Finance Officer in DSG budgets.
 - Standing Advisory Committee for Religious Education



16. The budget for education welfare services includes support for school attendance and targeted support for vulnerable pupils.
17. Asset management includes activities related to basic need capital projects and general landlord duties for academies.

Historic Commitments (DfE fully funding in 2019-20)

18. The commitment of £275k is to repay prudential borrowing taken out by Bournemouth Council to fund the Springwood scheme. Springwood is an expansion of Linwood Special School on a separate campus that provides Autism Spectral Disorder provision for 54 pre-16 places and 6 post-16 places
19. The £16k for premature retirements is inherited by BCP from Dorset where pensions are still in payment by the LA directly for ex school staff living in Christchurch.

Consultation with schools

20. The consultation paper included an illustration of how activities could reduce if the full funding is not allocated.
 - a. Activity supporting the Learning Partnership would need to be reduced.
 - b. Pupils with poor school attendance could be left unsupported.
 - c. Support to schools with basic need capital projects would reduce, for example existing schemes for Avonbourne Trust schools and the two Grammar schools in Bournemouth, Carter Secondary in Poole and any new projects needed for BCP.
 - d. Central activity is reduced in SEND capital projects forming part of the BCP high needs action plan. This plan includes, for example, expansion or creation of resource bases in mainstream schools (currently at Kingsleigh and Malmesbury Park with projects for other mainstream schools in development) as well as creating additional special school places (for example, currently 5 new places at Tregonwell Special school)
 - e. Potential capital bidding rounds could be left unsupported with lost opportunity of drawing government funds into BCP.
21. A summary of consultation responses is as follows:
 - a. More detail requested on school admissions and servicing of Schools Forum (more information provided in this report).
 - b. View from a small proportion of responses that academies do not see any of the expenditure on 'all schools' of the ex ESG services.
 - c. General view that schools would like to see further savings from these budgets, particularly as a result of LGR.



22. The LA response is as follows:

- a. The relevant service budgets have been reduced by £45k (2.5%) to take account of reduced DSG funding levels.
- b. Work to bring the services together will be undertaken during 2019-20 and this may incur transitional costs to release future savings. These savings will be needed for 2020-21 as funding reduces by a further 2.5%. Funding reductions for historic commitments from 2020-21 has also been signalled by the DfE, and with these costs continuing at relatively fixed levels, savings will need to be greater in other areas in future.
- c. More significantly, £385k of high needs costs have already been transferred to the Council, providing a cumulative loss of DSG funding already of £430k in 2019-20.
- d. Academies are part of these services as these budgets support the system as a whole and pupils across all schools. These budgets do not support activities for maintained schools only, as their activities are different.
- e. Some schools will make greater use of more visible services than others – for example:
 - i. Expansion projects for basic need growth will apply to only a small number of schools each year (these could be academy or maintained). Similarly, other capital grants (for example, to support the high needs action plan) will not be relevant for all schools.
 - ii. The education welfare service will be used by pupils in some schools more than others (note this funding block has a deprivation element in its formula).

Recommendation

23. The budgets for central school services are to be agreed at the level of funding as set out in this report, with the LA making the appropriate savings required.

Equalities Impact

24. The central school services block includes funding to support vulnerable pupils through the education welfare services, which includes activity to ensure pupils attend school.

Background Papers

25. Schools Funding Consultation 2019-20 issued on 23 November 2018