SCHOOLS FORUM

SYNOPSIS OF MEETING – 2nd AUTUMN TERM MEETING 2019

WEDNESDAY 27 NOVEMBER 2019

DESIGNATED SCHOOL GRANT (DSG) BUDGET UPDATE 2019-20 AND 2020-21

In September 2019 the budget position for 2019/20 was that there would be an in-year deficit of £1.5m resulting in a reduction in the end of year deficit to £4.2m. However, the revised position is that there has been an increase in the in-year deficit resulting in a change to the end of year deficit by £1.9m, to £6.2m. The significant changes are in the cost of out of borough placements, high needs in mainstream schools, and statements in special schools. The resources for 2020-2021 are estimated and include the 0.5% moved from the Schools Block to the High Needs Block, producing an anticipated deficit of £5.2m at the end of 2020-21. It has been estimated that the deficit will further reduce to £3.287m if the cost reductions and savings in the Recovery Plan are achieved. The pressures and savings since the estimates were shared at the September 2019 meeting result in a net saving of £0.2m.

HIGH NEEDS PLACES 2020/21

The Local Authority commissions high needs places for free schools and academies and sends a return to the DfE for the estimated number of places for September 2020. The numbers include places at Oldham College for post-16 and at the Pupil Referral Unit (PRU). In 2019/20 there were 890 places and the estimate for 2020-21 is 939 resulting in an increase in the budget of £476,000. There are concerns about the 2020-21 High Needs Block as this may be overspent again in year and the local authority may need to commission further places. Members asked why the health and social care sectors were not contributing to schools’ costs in the cases where interventions are medical or involve social care. The Director of Education and Early Years is going to raise this with the health and social care agencies.

2020/21 DISTRIBUTION OF SCHOOLS FUNDING AND RESPONSES TO THE CONSULTATION

The estimated funding for 2020/21 is based on the school population at September 2018, and it is expected there will be additional High Needs Block funding in 2020/21, therefore the total resources are expected to be higher than the estimate. However, the pressures on the budget are ongoing and so savings will still be needed. After the consultation with schools, on the distribution of the Schools Block of the Designated School Grant (DSG) for 2020-21, there was a clear majority of schools who voted in favour of model B which includes a movement of 0.5% from the Schools Block to the High Needs Block and a move to the National Funding Formula apart from the Area Cost Adjustment Factor. Schools Forum Members voted to ratify this recommendation.

FORWARD PLAN

The next meeting of the Schools Forum is on Wednesday 15 January 2020.