



SCHOOLS FORUM

12 FEBRUARY 2019

2019/20 SCHOOLS BUDGET

Content Applicable to;		School Phase;	
Maintained Primary and Secondary Schools	X	Pre School	X
Academies	X	Foundation Stage	X
PVI Settings	X	Primary	X
Special Schools / Academies	X	Secondary	X
Local Authority	X	Post 16	X
		High Needs	X

Content Requires;		By;	
Noting	X	Maintained Primary School Members	
Decision	X	Maintained Secondary School Members	
		Maintained Special School Members	
		Academy Members	
		All Schools Forum	X
Actions arising from the recommendations in this report are for all Schools Forum Members			

Purpose of the Report

1. The purpose of this report is to present the 2019/20 Dedicated Schools Grant Settlement for Leicestershire and the 2019/20 Schools Budget.
2. This report builds upon a number of reports presented through the 2018/19 financial year.

Recommendations

3. That Schools Forum approves the retention of a budget to fund school growth (Paragraph 17, Item 2)

4. That Schools Forum approve the retention of budgets to meet the prescribed statutory duties of the local authority and to meet historic costs (Paragraph 17, Items 3 & 4)
5. That Schools Forum approve the centrally retained early years funding of (Paragraph 17 Item 5)
6. That Schools Forum notes the number and average cost of commissioned places for children and young people with High Needs (Paragraph 32)
7. That Schools Forum note the 2019/20 school funding rates (Paragraph 39)
8. That Schools Forum note the value Dedicated Schools Grant (Paragraph 48)
9. That Schools Forum approve the action to be taken in respect of schools where the Special Educational Needs (SEN) notional budget is insufficient to meet the aggregated value of High Needs Funding Element 2 (Paragraph 50)
10. That Schools Forum note the average per pupil funding to be taken into account for recoupment for excluded pupils and other purposes (Paragraph 52)
11. That Schools Forum note the payment rates for the Early Years Funding formula (Paragraphs 56 -57)

Background

12. This report builds upon those presented to Schools Forum during 2018 and sets out the local authority's Schools Budget for 2019/20.
13. The Schools Budget is the term given overall to the services funded from Dedicated Schools Grant (DSG). Local authorities are required to set the Schools Budget at least equal to the amount of DSG received. The local authority makes no contribution to DSG, the Schools Budget is therefore set at the level of grant and must contain all its spending pressures within that grant. Schools Forum agreed to carry forward the deficit on the High Needs Block at its meeting on 26 November 2018.
14. There is no change to the basic structure of DSG for 2019/20 and remains divided into four separate funding blocks;
 - Schools Block – funds delegated budgets for maintained schools and academies and school growth.
 - The Central Services Block – funds historic costs and other prescribed local authority areas of expenditure including the local authorities statutory duties for all schools previously funded through the Education Services Grant.

- Early Years – funds the free entitlement to early education for disadvantaged 2 year olds and 3 & 4 year olds, including the 30 hours of provision for eligible parents and the services that support the early years sector
- High Needs – funds provision for pupils with SEN, the PRU and other services for vulnerable children such as the Secondary Education Inclusion Partnerships, Children with Medical Needs and specialist teaching services

15. The 2019/20 Children and Family Services Budget was considered by the Children and Family Services Overview and Scrutiny Committee on 22 January 2019, by the Cabinet on 8 February 2018 and the County Council on 22 February 2018 and is shown as Appendix A.

Role of the Schools Forum in setting the 2019/20 Schools Budget

16. The Central School Services Block holds the retained budgets for a number of areas of expenditure centrally retained by the local authority through provisions contained within the School and Early Years Finance (England) Regulations, these budget are subject to restrictions and some are subject to some decisions for the Schools Forum.

17. The purpose and scope of these budgets is detailed below;

Item	Approval For	Action
1.	De-delegation from mainstream school budgets	No decision to be taken, no budgets are subject to de-delegation. De-delegation affects maintained primary and secondary schools only, all budgets for academies are required to be fully delegated.
2.	To create a fund for pupil number growth in order to support the local authority's duty for place planning and agree the criteria for maintained schools and academies to access this fund.	Schools Forum approved the policy for funding school growth at its meeting on 14 January 2016 A budget to meet the cost arising from an increased number of school places provided as basic need in 2019/20 onwards. The proposed budget is £1.7m (2018/19 £1.3m)
3.	Funding for the local authority in order to meet prescribed statutory duties placed upon it. This funding now includes funding for local authority	The budgets falling into this category are; <ul style="list-style-type: none"> • Servicing the Schools Forum £8,570 (2018/19 £8,570), this budget meets the cost of operating the Schools Forum. It

	<p>statutory duties for all schools previously funded through the retained duties element of ESG</p>	<p>appears on the Admin and Committees line on the budget statement</p> <ul style="list-style-type: none"> • Admissions £329,375 (2018/19 £318,020). This meets the local authority's statutory responsibilities for admissions and is funded from the Schools Block. This appears on the Education Sufficiency line of the budget statement <p>Local Authority Statutory / Regulatory Duties, Asset Management and Central Support Services £2.378m. This is made up of central recharges to DSG budgets.</p>
4.	<p>Funding for historic costs met by the local authority. Following the baselining exercise undertaken to determine the 2017/18 DSG baselines the Department for Education have set out their expectation that these costs should unwind over time and that funding released should be recycled to school budgets. This may be the case for the element relating to schools causing concern but no funding will be released from premature retirement for significant periods of time given that the local authority remains supporting such costs arising from pre 1997</p>	<ul style="list-style-type: none"> • Premature Retirement Costs £674,900 (2018/19 £674,890), these are historic costs relating to school staff where the commitment remains with the local authority and relates to both maintained schools and academies. This appears on the Human Resources line of the budget statement • Miscellaneous £248,000 (2018/19 £248,000). This is the commissioning budget for maintained schools causing concern, whilst the number of maintained schools has reduced overall the number of schools requiring LA support is largely unchanged. This appears on the 5-19 Learning line of the budget statement
5.	<p>Funding for central early years expenditure, which includes funding for checking eligibility of pupils for an early years place in addition to the local authorities statutory responsibilities in this</p>	<p>Schools Forum are asked to approve expenditure of £1,675m (2018/19 £1.604m)</p>

	area. Centrally retained funding must not exceed 5% of the Early Years DSG	
6.	Authorising a reduction in the Schools Budget in order to fund a deficit arising in central expenditure that is to be carried forward from a previous funding period	Schools Forum agreed the carry forward of the High Needs Block deficit at its meeting on 26 November. The overall position on DSG is forecast to be a deficit of £1.2m.

18. Where the decision making power is vested in the Schools Forum, the local authority may seek adjudication from the Secretary of State should approval not be granted. This would be sought should Schools Forum not approve the centrally funded items, there is no other source of funding for the local authority to meet these commitments which are all incurred as a result of the local authority's role in schools. Retention of these budgets is consistent with that of previous years.
19. A further budget for school copyright is held centrally under provisions within the School and Early Years Finance (England) Regulations. This funds copyright licences within a nationally negotiated contract by the Secretary of State for all academies and maintained schools, as a result of this national contract individual schools no longer meet these costs directly. The 2019/20 cost for Leicestershire is confirmed at £499,200.

Dedicated Schools Grant

20. For 2019/20 the Dedicated Schools Grant (DSG) remains calculated in four separate blocks as set out below;

Funding Block	Areas Funded	Basis for Settlement
Schools Block £394.546m consisting of; <ul style="list-style-type: none"> • School formula funding £392.172m • School Growth £2.374m 	Individual budgets for maintained schools and academies. Growth funding to meet the revenue costs to meet the local authorities duty to ensure a sufficient number of school places through school expansion and the development of new schools DSG is notionally allocated to Leicestershire for all maintained schools and academies. A locally agreed funding formula is applied to this to determine school	2019/20 is the second year of the National Funding Formula for schools which attributes units of funding to pupil characteristics. The grant settlement is based on; <ul style="list-style-type: none"> • the aggregate of pupil led characteristics for each individual school • an allocation for school led factors based on 2018/19 expenditure. These allocations will be fully delegated to schools. In addition a formulaic allocation for school growth

	<p>budgets, for maintained schools these are allocated directly by the local authority, for academies the funding is recouped from the settlement by the Education and Skills Funding Agency (ESFA) who then directly fund academies.</p>	<p>will be retained to meet the future costs of new and expanding schools</p> <p>In respect of school formula funding this represents an increase of 3.3%, for growth this is an increase of 158.9%</p>
<p>Central School Services Block £3.369m</p>	<p>This funds historic financial commitments related to schools such as premature retirement costs, some budgets related to schools that are centrally retained e.g. admissions, servicing the Schools Forum and school copyright licences. This block now includes funding from the retained duties element of the former Education Services Grant for the responsibilities that local authorities have for all pupils such as school place planning and asset management.</p>	<p>This is distributed through a per pupil allocation basis and is retained by the local authority.</p> <p>Overall this is an increase of 2.5% over the 2018/19 baseline.</p>
<p>High Needs Block Est £68.659m</p>	<p>Funds special schools and other specialist providers for high needs pupils and students, the pupil referral unit and support services for high needs pupils including high needs students in further education provision.</p> <p>As with the Schools Block this includes funding for special academies and post 16 providers which is recouped by the ESFA who then directly fund academies.</p> <p>Confirmation of the 2019/20 grant is not expected until May 2019.</p>	<p>The formula is based upon population of 0 -19 year olds and proxy indicators for additional educational need including deprivation, ill health, disability and low attainment. Also included is an element based on historic spend. The formula also includes a funding floor to ensure that local authorities do not receive a funding reduction as a result of the introduction of the formula, Leicestershire receives £4.337m through this element.</p> <p>The grant allocation includes the additional</p>

		funding announced by the DfE in December 2018 and is an increase of 3.9% from the 2018/19 baseline
Early Years Est £34.928m	<p>Funds the Free Entitlement to Early Education (FEEE) for 2, 3 and 4 year olds and an element of the early learning and childcare service.</p> <p>The grant is based on the universal hourly base rate plus additional needs measured with reference to free school meals, disability living allowance and english as an additional language. The factors as recorded on the early years census in January 2019 and updated for the January 2020 census, final grant is not expected to be confirmed until May 2020.</p> <p>This allocation also includes £114k Disability Access Fund and £177k Early Years Pupil Premium</p>	<p>The allocation is based on individual pupil characteristics and converted to a rate per hour of participation. Leicestershire receives the lowest rate of £4.30 per hour for 3 and 4 year olds and the lowest rate of £5.20 per hour for disadvantaged 2 year olds.</p> <p>The funding position is unchanged from the 2019/20 baseline</p>
£501.502m	2019/20 Estimated DSG	

21. The 2019/20 MTFS sets the overall Schools Budget at the level of DSG received and is therefore shown as a net nil budget at local authority level. There are no contributions to DSG from the County Council.

Schools Block

22. The Department for Education (DfE) have confirmed that the 'soft' school funding formula will be in place for 2019/20 and 2020/21. A 'soft' formula is where a National Funding Formula (NFF) calculates notional school allocations based upon pupil characteristics to which local authorities apply their own local funding formula to generate individual school budgets. The Leicestershire funding formula reflects the NFF and will remain unchanged for 2019/20. The 2019/20 Schools Block DSG settlement is £394.5m (£392.2m NFF / £2.3m School Growth Fund, this is based upon the 2018 October school census.

23. 2019/20 is the second year of the NFF, schools will receive a minimum per pupil increase in funding of 0.5% and a maximum increase of 3%. Despite the overall increase in budget, at individual school level a number of schools remain on the funding floor with an increase of 0.5% per pupil. These schools, despite additional funding, will experience a real terms decrease in income. As the funding guarantee is at pupil level, schools with decreases in pupil numbers will see an overall decrease in budget allocation.
24. Growth funding is retained to fund future school growth and protection funding arising from the final age range changes in secondary schools. Retention of this funding does not affect the delivery of the second year of the National Funding Formula (NFF) which is delivered in full. Whilst the timing of school growth is uncertain current projection suggests a shortfall in funding in 2022/23.

High Needs

25. The provisional High Needs DSG is £68.659m and includes additional funding announced in December, but confirmed funding only to March 2020, should this level of funding continue the DSG deficit is expected to begin to be recovered in 2022/23 and return to surplus in 2023/24. At the end of the 2019/20 MTFS period the cumulative deficit is estimated to be £5.2m.
26. The December funding announcement coincided with the publication of the 'Have we reached a 'tipping point?' Trends in spending for children and young people with SEND in England' report commissioned by the Local Government Association (LGA). This cites four main factors for increasing expenditure;
 - 2014 SEND reform
 - Underlying demographic changes
 - National policy changes that have resulted in an environment in mainstream schools where inclusivity is not rewarded
 - Pressure in mainstream school budgets reducing the level of SEND support schools are able to provide

The report refers to pressures on demand that are beyond local authority control, authorities having no levers to allow them to effect costs and that there are structural features within the current SEND system which means there will continue to be a significant risk of overspending the high needs block, even if budgets were significantly increased. It also suggests that a fundamental review is needed of the powers that local government need to act as an effective strategic commissioner of SEND provision.

27. The formula allocates funding across a set of pupil related indicators and also includes an allocation based on historic spend. For Leicestershire the grant includes circa £4.3m of protection funding, which is not guaranteed in the long term.
28. The proposed High Needs Development Plan was considered by Cabinet on 18 December 2018 who approved consultation on the approach to planning, commissioning, and delivering SEND services. Consultation closes on 31 March 2019.

29. The plan has been developed, and recognises and addresses the key cost divers identified in the LGA research, and will deliver focused activities on three key areas:

- To develop and embed an inclusive approach and practice amongst schools, LA staff and other settings
- The modernisation of SEN services through;
 - Improved (joint) commissioning
 - Improved processes and decision making
 - Improved quality and assurance
 - Digitisation to support improved partnership working
- The development of a range of cost effective, high quality provision for children and young people with special educational needs;
 - SEN units attached to mainstream schools
 - Development of special schools
 - Expansion of existing, or new build, area special school
 - Development of FE provision

30. The financial forecast has been updated to reflect the most recent budget and grant forecasts and expenditure has increased further since the plan was first costed in August, further revisions will be required as provision is developed and start up costs are confirmed and the additional places become operational. The revised position is shown in the table below and is dependent on matching individual education need to the timing and the cost of new provision;

	2018/19	2019/20	2020/21	2021/22	2022/23
	£,000	£,000	£,000	£,000	£,000
High Needs DSG	-67.455	-68.659	-68.659	-68.659	-68.659
Estimated Operational Expenditure	69.990	75.284	77.864	81.366	84.132
Estimated Project Expenditure	0.296	1.756	1.046	0.030	0.000
Total Potential Savings	0.000	-2.653	-7.251	-12.467	-19.852
Annual Funding Gap	2.831	5.728	3.000	0.270	-4.379
Funded From Reserve	-2.228				
Cumulative Funding Gap - DSG Reported Deficit	0.603	6.331	9.331	9.601	5.222

31. Schools Forum agreed the carry forward of the 2018/19 High Needs Block Deficit at its meeting on 26 November 2018, annual approval will be required. In the short to medium term the High Needs deficit will be offset by funding for

new school growth being carried forward. The growth funding is no substitute however for the requirement to deliver savings and ensure that future expenditure is contained within the grant.

32. Local authorities are required to submit to the ESFA annually in November the number and location of special school places it wishes to commission for the following academic year, this informs the final DSG allocation and academy budgets. The number of High Needs places commissioned from DSG and their average unit costs are shown at Appendix C. Costs at individual school and unit reflects the needs of pupil at that provision, as such there is a significant variation between, and within, groups of providers. These places are the minimum the local authority will commission, additional places where and if required are fully funded from the high needs block.

Central Services Block

33. The central services block funds a number of school related expenditure items such as existing school based premature retirement costs, copyright licences under a national DfE contract for all schools and other historic costs.
34. This block also includes funding for the statutory duties that local authorities retain for all schools such as ensuring sufficient supply of school places. The 2019/20 provisional settlement is £3.3m an increase of 1.6%

Early Years Block

35. There are no changes to the Early Years Block. Grant remains determined by the number of children participating in early years education. The funding supports universal provision, the 30 hours Free Entitlement to Early Education (FEEE) for eligible parents and continued delivery of the early years offer for disadvantaged two year olds. The rate of funding is unchanged from 208/19 at £4.30 per hour, a maximum of 5% of the overall settlement is retained to fund the early learning service who fulfil the local authorities statutory duty to ensure sufficiency of places for those parents that request one.

2019/20 School Budgets

36. The school funding formula is unchanged from 2018/19 and continues to reflect the NFF with the exception of the sparsity factor. The second year of the NFF provides further increases in funding, the funding floor provides a further minimum increase of 0.5% per pupil (a total of 1% compared to the 2017/18 baseline) and a further maximum increase of 3% per pupil.
37. The DfE however have made some changes to the national 2019/20 NFF funding rates;
- Primary Prior Attainment – nationally the rate per eligible pupil has reduced from £1,055 in 2018/19 to £1,022 in 2019/20. The DfE cite an increased cohort of eligible pupils as the reason for the decrease.

Overall the impact is thought to be minimal as increased eligibility is likely to offset the rate reduction.

- Minimum per Pupil Funding – rates are confirmed as;
 - Primary £3,500, incorporating the planned £200 per pupil increase compared to 2018-19
 - Key Stage 3 only schools £4,600, set for the first time but unchanged from the 2018/19 secondary rate
 - Key Stage 4 only schools £5,100, new rate for 2019/20
 - All through secondary schools £4,800, incorporating the planned £200 per pupil increase compared to 2018-19

This per pupil increase is not capped by the ceiling on gains.

38. It should be recognised that all guarantees relate to per pupil funding, as such schools may not see an overall increase in budget of this level. Schools with falling rolls will see a reduction in their overall budget and should plan accordingly.
39. The Leicestershire formula fully meets these values and was submitted to the ESFA on January 19 in accordance with their deadline, validation checks will be undertaken by the ESFA who will confirm that it meets the requirement of the regulations after which it will be possible to issue budgets to maintained schools and the ESFA will issue budgets to academies. The funding formula showing the unit rates and the total funding allocated by them is shown as Appendix C.
40. There is no top slice to school budgets in order to move funding from the schools to high needs blocks, Leicestershire is one of just a few local authorities not to do so in 2018/19 or 2019/20. Should high needs cost continue to increase a topslice cannot be ruled out in future years.
41. Grants for universal infant free school meals and PE & Sport have not been confirmed, it is expected that these will continue as for 2018/19. Schools will be notified at such time information is received.

Funding School Growth

42. Growth funding was contained within the school led element of Schools Block DSG for the first time in 2018/19 when it was explicitly identified two distinct elements of growth;
 - a) Explicit i.e. funding to be given to schools increasing as a result of the basic need for school places; and,
 - b) Implicit i.e. the cost of protection and pupil number adjustments as a result of age range changes.

43. For 2019/20 funding for school growth is formulaic based on increases in pupil numbers between the 2017 and 2018 October school census and the allocation for 2019/20 is £2.3m, a significant increase from the £0.9m within the 2018/19 DSG. However the cost of delivering the full NFF in 2019/20 exceeds the schools element of the Schools Block by £0.6m. £0.2m of this relates to a difference in the formula budget and DSG allocation for the new Lubbersthorpe school opening in September 2019. The growth allocation has fully funded the shortfall resulting in a proposed school growth budget of £1.7m in 2019/20.
44. The revenue cost of commissioning a new school ranges from £0.5m to £0.8m for a primary and £2.2m to £2.5m for a secondary depending upon size and opening arrangements. 23 new primary and 2 new secondary schools are expected to be built in Leicestershire in the medium to long term. It is also estimated that providing funding protection under the current funding mechanism for the final secondary age range changes may cost up to £1m.
45. The current growth policy has been successful in meeting the costs of a new school but less so for expanding schools. The policy makes provision of a one off allocation of £50,000 where a school is adding an additional class where required by the local authority for basic need which. This has been identified as a barrier to the local authority to commissioning additional school places in existing schools.
46. The Growth Policy is being reviewed to ensure linkages to additional school places delivered through the capital programme, the increased cost base as a result of expansion in schools prior to mainstream funding being generated, the timing of growth as well as affordability.
47. It should be noted that the growth fund relates exclusively to mainstream schools and cannot be used to support new SEND provision without a transfer from the schools to high needs block, the cost of commissioning new SEND provision falls to be met from the high needs block.

Dedicated Schools Grant Reserve

48. The overall position of DSG is improved from that previously reported. Firstly as a result of the release of growth funding not required in 2018/19 but needed in the future and the receipt of £1.4m of additional high needs funding which was announced in December 2018. The improved position however does not change the trajectory of a DSG deficit as a result of continued increase in high needs expenditure.

	£,000	Narrative
DSG Reserve 1/4/18	2,228	Confirmed reserve at close of the 2017/18 financial year

Reserve Utilised 2018/19		
2018/19 Dedicated Schools Grant Budget Overspend	1,203	Forecast overspend recorded at Period 9. Overall SEND budgets are forecast to overspend by £4m
Estimated Reserve 31/3/19	1,025	

49. The DSG reserve aggregates the school block underspend created by the underspend in 2018/19 school growth funding and the high needs overspend. Whilst these are aggregated for reporting purposes they will be managed separately i.e. growth funding will increase to meet future needs and the high needs deficit will increase until the high needs development plan establishes sustainability. The reserve is also the only funding source to meet any deficits reverting to the authority from mainstream school conversion to sponsored academy arrangements and for the current mechanism for funding protection for the fall in pupils in the first year of age range changes.

Notional SEN Budget

50. The Notional SEN budget is a subset of the funding delegated to all schools and academies and was established to guide schools in the allocation of resources to meet additional needs of pupils. In terms of high needs the funding system sets out that element 2 funding is met from the notional SEN budget. The basis of the calculation is locally defined and is unchanged for 2019/20. The proportions and funding factors it relates to are detailed out in the following table:

Funding Factor	2019/20 % to Notional SEN
Age Weighted Pupil Unit	4%
Prior Attainment	50%
IDACI	67%
Total Notional SEN Budget Contained within the Funding Formula	£32.571m

51. The local authority will continue to assess schools where the notional SEN budget is insufficient to meet commitments to element 2 funding through a comparison of costs and notional SEN budget in December following pupil movements at the commencement of the academic year. Where the budget is shown to be insufficient to meet commitments an additional payment will be made in February.

Excluded Pupils

52. The arrangements for reclaiming funding from schools excluding pupils no longer solely refer to the deduction being based upon the age weighted pupil unit and refers to the average per pupil funding value for primary, Key Stage 3

and Key Stage 4. These values are detailed in the following table and will be applied as the deduction to school budgets from April 2019.

School Phase	Annual Rate £	Daily Rate £
Primary	3,594.37	18.92
Key Stage 3	5,054.19	26.60
Key Stage 4	5,738.73	30.90

53. These rates will also be applied to the funding adjustments made in relation to dual registered pupils at Oakfield, the charges levied for the education of children with medical needs and will be recommended to the Secondary Education Inclusion Partnerships.

Pupil Premium

54. The DfE have not formally issued a full pupil premium settlement, rates for each category of pupil are unchanged from 2018/19 and will be driven by pupil numbers recorded in the January 2019 school census. It has been identified that the universal free school meals initiative has reduced the numbers of pupils being assessed for free school meals and therefore pupil premium
55. The allocations are passported by the local authority to maintained schools for eligible pupils on the school roll but are retained by the local authority for looked after children which is allocated by the Head of the Virtual School, academies receive funding directly from the ESFA. The rates for pupil premium are;

Pupil Premium Payable for;	2019/20 £
Primary Free School Meals Ever 6 (any pupil eligible for free school meals in the last 6 years)	1,320
Secondary Free School Meals Ever 6 (any pupil eligible for free school meals in the last 6 years)	935
Children from service families	300
Looked after children	2,300
Children adopted from care, left care under a special guardianship or residence order	2,300

2019/20 Early Years Provider Budgets

56. Early year provider funding rates are unchanged:

	Per Hour
3 and 4 Year Base Rate	£4.03
3 and 4 Year Deprivation top-up	£0.04 - £0.08
3 and 4 Special Needs top-up	£6.99

57. 2 year old funding rates will be;

	Per Hour
2 Year Old Base Rate	£4.93
2 Year Old Special Needs top-up	£6.99

The Local Authority Budget

58. In order to set out the full context of the financial challenges facing the department the provisions for growth and savings set out in the Children and Family Services budget for 2019/20 to 2022/23 are summarised below;

References	<u>GROWTH</u>			
	2019/20	2020/21	2021/22	2022/23
	£000	£000	£000	£000

* items unchanged from previous Medium Term Financial Strategy

** items included in the previous Medium Term Financial Strategy which have been amended

Eff - Efficiency saving

SR - Service reduction

Inc - Income

Demand & cost increases						
**	G1	Demographic growth- Social Care Placements	3,300	5,800	7,900	10,200
*	G2	Removal of time-limited growth - Supporting Leicestershire Families - transition to a new model when external funding ceases	0	-1,000	-1,000	-1,000
	G3	Special Educational Needs Assessment Service - increased demand on service	575	710	710	710
	G4	Additional Unaccompanied Asylum Seeking Children	345	345	345	345
	G5	On-going requirement for agency staff - Children's Social Care	250	250	250	250
Total			4,470	6,105	8,205	10,505

SAVINGS

	2019/20	2020/21	2021/22	2022/23		
	£000	£000	£000	£000		
* CF1 Eff	New Departmental Operating Model	0	-100	-100	-100	
** CF2 Eff	Growing Mainstream Internal Foster Carer Provision	-500	-1,000	-1,500	-2,000	
** CF3 Eff	Growing Specialist Internal Foster Carer Provision	-200	-500	-700	-900	
* CF4 Eff	Develop Wrap Around Therapeutic Support Services	0	-700	-700	-700	
** CF5 Eff/SR	Early Help Review	-1,250	-1,500	-1,500	-1,500	
* CF6 Eff	Disabled Children's Respite Care Review	-100	-100	-100	-100	
* CF7 Eff	Review of staff absence	-75	-150	-150	-150	
* CF8 Eff/Inc	Review the Educational Psychology Service	-100	-100	-100	-100	
* CF9 Inc	Academy conversion (reduced numbers)	0	0	30	30	
* CF10 Eff	Education of Children in Care Review	-200	-200	-200	-200	
TOTAL C&FS Local Authority Budget			-2,425	-4,350	-5,020	-5,720

Dedicated Schools Grant

Proposed High Needs Recovery Plan

-2,653 -7,251 -12,467 -19,852

Capital Programme

59. The draft Children and Family Services capital programme totals £99.1m over the next four years including £24.7m in 2019/20. It is envisaged that over the four years of the MTFs that an additional 2,500 school places will be created.
60. The programme is partially funded by external grant and developer S106 contributions:

Basic Need Grant - is received from the DfE based upon the need to create additional school places, grant of £11.5m for 2019/20 and £8.7m for 2020/21 have been confirmed, the timing of announcements of grant for the latter two years of the MTFs are uncertain. The grant reflects the overall place need across the County and will be in both maintained schools and academies. The grant meets the infrastructure costs of creating new places, eligible revenue costs fall to be met from the local authorities growth fund funded from DSG.

Strategic Maintenance Grant – is received from the DfE for the maintenance of maintained schools only. Grant is based on a formula that considers pupil numbers and overall condition of the school estate. Allocations for the MTFs period are yet to be confirmed. It is expected that the grant will reduce as schools convert to academies.

S106 Contributions – it is estimated that a total of £3.463m of S106 contributions will be received in 2019/20 and £4.5m in 2020/21. Estimates for the latter two years of the MTFs are uncertain and are dependent upon the speed of housing developments. It is estimated that the full costs of new schools required on new housing developments will be fully funded from s106 contributions.

SEND Provision Capital Grant – this grant was announced during 2017/18 by the DfE and in response to the introduction of the National Funding formula for High Needs to provide local authorities with capital to develop cost effective SEN provision and is confirmed at £0.709m for 2019/20 and £1.2m in 2020/21, there is no indication that this funding will continue past this point.

Free School Bid

The programme includes a bid to the DfE for £8m to build a new 50 place special school for children with Social, Emotional and Mental Health (SEMH) needs, the outcome of this bid is expected early in 2019

CHILDREN & FAMILY SERVICES - CAPITAL PROGRAMME 2019/20 to 2022/23 - Draft

	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	Total £000
MAIN GRANT FUNDING PROGRAMME					
Provision of Additional School Places	13,740	16,920	18,970	15,680	65,310
SEND Programme					
Social Emotional Mental Health (SEMH) Units	1,250	1,250			2,500
SEMH Special School - LA Developed	2,000	1,000			3,000
SEMH Special School - Free School Bid - subject to DfE approval	0	0	8,000		8,000
Post 16 SEND	500	500			1,000
Communication and Interaction Difficulty Units	770	500			1,270
Communication and Interaction Difficulty School	1,500	2,500			4,000
Expansion of Special Schools	1,500	1,000			2,500
Sub total - SEND Programme	7,520	6,750	8,000	0	22,270
Strategic Capital Maintenance*	2,300	2,000	2,000	2,000	8,300
Schools Devolved Formula Capital *	600	500	500	500	2,100
DDA / Schools Access / Safeguarding	200	200	200	200	800
Early Help - Building reconfiguration and refurbishment	300				300
Other Capital	3,400	2,700	2,700	2,700	11,500
Overall Total	24,660	26,370	29,670	18,380	99,080

* - awaiting Government announcement due, timing of which is uncertain.

Future Developments - subject to further detail and approved business cases	
S106 Schemes - externally funded tbc	
Early Years Provision	
Area Special School	

61. The draft programme has been developed on a priority basis and within that schemes are at different stages of development. For some schemes contractors' prices have been obtained for others costs are indicative and based on exemplar and / or similar schemes. In order to minimise risk where contractors prices have not yet been obtained contingency is held to mitigate against any increase in cost, as prices are confirmed schemes will be re-evaluated and re-prioritised as necessary.
62. The programme is focused on two significant areas; the need to provide additional primary school places based on the assessed need through the annual school capacity assessment which also provides the basis for the Basic Need capital grant. It is estimated that 895 additional places will be delivered in 2019/20, the location and number of the additional places can only be confirmed following the confirmation of school admissions in January and April 2019.

Appendices

Appendix A – 2019/20 Children and Family Services Revenue Budget

Appendix B – Summary of Commissioned High Needs Places

Appendix C – 2019/20 School Funding Rates

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