

West Northants Schools Forum: 14 December 2021
Agenda Item 5 - Annex D
Central Expenditure 2022-23

1 Background

1.1 This annex sets out the consultation responses to the LA's recommendation on services funded by the **historical** and **ongoing** sections of the central schools services block (CSSB) within the Dedicated Schools Grant (DSG). Some of these are part funded by the WNC general fund and we refer to these as the "combined services". Schools Forum members must vote on the budgets on a line by line basis and have the decision making powers for all but a few of these central budgets.

1.2 The CSSB is made up of two elements:

- Ongoing responsibilities funding which is formula drive (nationally distributed 90% via a per pupil rate current multiplied by October 2020 pupil census data but will be revised to October 2021 numbers in the December 2021 announcement).
- Historical commitments funding allocated at levels carried forward from previous years. The DfE have been reducing the historic commitments funding from 2020-21 by 20% per annum. This reduction has been applied to the provisional 2022-23 Historical CSSB funding in table 1 below.

1.3 The provisional total CSSB funding allocation is £4.3m compared to £4.7m in 2021-22 – a reduction of £0.4m.

1.4 Table 1 shows WNC's proposals for the use of the CSSB funding in 2022-23.

Table 1 – WNC Provisional historical CSSB Expenditure £m

	2021-22	2022-23	Change
Historical Commitments			
Contribution to Combined Services (see Table 2)	1.237	0.756	(0.481)
Contribution to DSG / High Needs deficit	0.065	0	(0.065)
PFI – Greenfields Special School	0.279	0.279	0
Historical Teachers Pension pre-2013	1.147	1.147	0
Total Historical Commitments	2.728	2.182	(0.546)

Ongoing Responsibilities			
Admissions	0.475	0.485	0.010
Schools Forum	0.011	0.011	0.000
National Copyright Licenses	0.300	0.306	0.006
Ex ESG retained LA duties for all schools	0.858	0.875	0.017
Teacher's Pay and Pension Grant	0.251	0.256	0.005
Contribution to DSG / High Needs deficit	0.074	0.146	0.072
Total CSSB	4.697	4.261	0.436

-ve reduction in expenditure +ve increase in expenditure

1.5 Table 2 shows the CSSB funding in 2022-23 together with changes from 2021-22.

Table 2 – CSSB Funding £m

	2021-22	2022-23	Change
Historical Commitments	(2.728)	(2.182)	0.546
Ongoing Responsibilities	(1.969)	(2.079)	(0.110)
Total CSSB	(4.697)	(4.261)	0.436

-ve increase in income +ve reduction in income

1.6 Table 3 provides a breakdown WNC's proposals for the use of the CSSB on Combined Services in 2022-23, together with explanations of its use and changes from 2021-22.

Table 3 - WNC Provisional Combined Services Expenditure £m

	2021-22	2022-23	Change
Schools Standards & Effectiveness	0.434	0.434	0.000
Parenting Support Coordinators	0.034	0.034	0.000
Moderation	0.015	0.015	0.000
Social Care Transport	0.286	0.000	(0.286)
Supervised Contact	0.227	0.000	(0.227)
Northamptonshire Safeguarding Children's Board	0.039	0.039	0.000
MASH	0.057	0.057	0.000
Education Entitlement	0.145	0.178	0.033
Total Combined Services	1.237	0.756	(0.481)

-ve reduction in expenditure +ve increase in expenditure

- 1.7 This reduction leaves a funding gap of £0.5m against the expenditure requirement even after a review of service efficiencies and disinvestments which will be met through the WNC general fund £0.5m (proposal in draft budget).
- 1.8 The continuing reductions total £0.4m in 23-24 and £0.3m in 24-25 which are also currently forecast in the WNC general fund medium term financial plan.

2 Responses from the consultation

- 2.1 There were 9 responses to the consultation. 6 responses agreed with continuing the central budgets as set out in the consultation paper. None disagreed and 2 responded with "other" – one left "no comment" and the second commented "academies - not appropriate to vote". The LA therefore need to clarify that central schools services budgets are there to benefit maintained schools and academies equally.

3 Recommendations for schools forum

- 3.1 To vote in favour of each of the central schools service block budgets, on a line by line basis, including each combined service budget, other historical CSSB and ongoing CSSB responsibilities.
- 3.2 The copyright licensing is nationally determined by Government, so this is budget is not a Schools Forum or LA decision.

4 Next steps

- 4.1 If schools forum agrees the recommendation, the combined services provided will continue as in previous years, though with more of the general fund being used to support the reduced DSG funding than in prior years. If Schools Forum do not agree then a full service review will need to be undertaken and potentially some of these will cease.

5 Financial implications

- 5.1 Should schools forum agree the historical and ongoing responsibilities funded by CSSB then the funding provided in the CSSB will be spent on the services it has been provided to WNC for.
- 5.2 If schools forum does not agree with the proposals on central expenditure then many of the services will likely cease which would mean that the LA in some instances will not be meeting statutory duties, or efficiencies will need to be identified elsewhere. Funding provided in the CSSB will not be spent on the services it has been provided to WNC for and a surplus will be present within the CSSB until such time as it is fully unwound with the 20% reducing balance each year.

6 Legal implications

- 6.1 There are legal implications regards many of these central items as they relate to legislative duties of the Council which is why there is a separate block in the DSG to fund them. Two large budgets worth noting, the historical funding of teachers pensions and the special school PFI scheme. These have no alternative funding stream and although the schools forum are required to vote on these two items, there is no alternative way to fund these commitments.

7 Risks

7.1 The main risks arising are that if the schools forum do not agree the central schools services then our duty to fulfil our copyright license, schools forum, school admissions, teachers pensions and special school PFI obligations will not be fulfilled and that some services to schools will need likely need to reduce or cease.