



Schools Forum

Date: Monday, 12 July 2021
Time: 4.00 pm
Venue: To be held virtually:
<https://manchester-gov-uk.zoom.us/j/87025144273>

Everyone is welcome to attend this committee meeting.

Membership of the Schools Forum

Secondary Sector Headteachers Gillian Houghton

Primary Sector Headteachers Mike Cooke, Hatim Kapacee, Saeeda Ishaq, Gavin Shorthall

Primary Sector Governors Tony Daly, Lolita Hall, Philip Geldard

Special School Headteachers Alan Braven

Special School Governor Walid Omara

Academy Representative Andy Park, Emma Merva, Joshua Rowe, Michael Carson, Edward Vitalis

Pupil Referral Unit Representative Andrew Burton

Nursery School Representative (1) Joanne Fenton

Non-School Members (9) Cath Baggaley, John Morgan, Elizabeth Cummings, Antonio de Paola, Jenny Smillie

Agenda

1. **Urgent Business**
To consider any items which the Chair has agreed to have submitted as urgent
2. **Appeals**
To consider any appeals from the public against refusal to allow inspection of background documents and/or the inclusion of items in the confidential part of the agenda
3. **Minutes** 5 - 8
To agree as a correct record the minutes of the meeting held on 21 March 2021.
4. **Dedicated Schools Grant (DSG) and School Balances 2020/21 - Outturn Report** 9 - 18
The report of the Directorate Finance Lead – Children’s and Schools is enclosed.
5. **Analysis of Excessive School Balances 2020/21 & Clawback** 19 - 28
The report of the Directorate Finance Lead – Children’s and Schools is enclosed
6. **High Needs Block Overview** 29 - 46
The report of the Directorate Finance Lead – Children and Families is enclosed.
7. **Forward Plan** 47 - 48
The report of the Directorate Finance Lead – Children and Families is enclosed.

Information about the Forum

Schools are represented on the Forum by headteachers and school governors, elected to reflect all categories of school. In Manchester; there are non-school representatives from the teacher associations; additional non-voting places are reserved for invited elected members and representatives of other interested bodies.

The Forum members work together to provide a clear consensus of professional advice to education decision-makers, to achieve a transparent deployment of available resources. The Forum provides a formal channel of communication between the Council and schools for consultation concerning the funding of schools, and aims to agree recommendations which present the best possible compromise between competing claims on limited resources; has strategic oversight of ALL funding decisions affecting schools, and is involved in annual consultation in respect of the Council's functions relating to the schools budget in connection with the following:

- pupils with SEN (Special Educational Needs)
- early years
- revisions to the Council's scheme for the financing of schools
- administration of central government grants to schools including Standards Funds
- arrangements for free school meals

The Forum must be consulted on any proposed changes to the Council's school funding formula, and the financial effects of any proposed changes.

Smoking is not allowed in Council buildings.

Joanne Roney OBE
Chief Executive
Level 3, Town Hall Extension,
Albert Square,
Manchester, M60 2LA

Further Information

For help, advice and information about this meeting please contact the Committee Officer:

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Manchester Schools Forum

Minutes of the meeting held on 22nd March 2021

Present: Gill Houghton, Mike Cooke, Hatim Kapacee, Gavin Shortall, Nichola Davidge, Tony Daly, Philip Geldard, Alan Braven, Walid Omara, Joseph Brownridge, Helen Child, Andy Park, Joshua Rowe, Michael Carson, Alan Burton, Cath Baggaley, Jimmy Buckley, Antonio De Paola, Emma Merva, Michael Flanagan, John Morgan, Bernard Stone

Also Present: Councillor Bridges (Portfolio Holder)

Apologies: Edward Vitalis and Isobel Booler

SF/21/04 Minutes

The minutes of the meeting held on 16 January 2021 were submitted for consideration as a correct record.

Decision

To agree the minutes of the meeting held on 16 January 2021 as a correct record.

SF/21/05 Excessive Schools Balance Clawback 2021/22

The Forum considered a report of the Directorate Finance Lead – Children Services and Education which sought a decision on the rate of the automatic clawback mechanism for 2021/22.

All maintained Schools Forum members were asked to vote to set the rate of clawback at either 50% or 100% of applicable balances. The Forum was also asked to note that the Local Authority planned to review the level for 2022/23 onwards and that this review would include a reconsideration of the length of time that an excess balance may be held by a school without being eligible for clawback.

The Forum discussed the DfE's recently re-affirmed commitment to move to the (hard) National Funding Formula (NFF) by 2025/26, noting that this would be achieved by progressively restricting control over local funding formulae. It was acknowledged that the current level of school balances in the city, ran the risk of incorrectly signalling a perceived capacity within the city to manage funding shortfalls through efficiency measures. This it was acknowledged could significantly undermine the city's case for adequate funding prior to the implementation of the NFF.

The Forum took into consideration the Council having recommended the continuation of the Scheme (in its current form) at a clawback rate of 50%. This was in recognition of the impact of the global pandemic on schools' and a reduced capacity to spend as planned at the start of the financial year.

The Forum discussed the appeals process for schools that were subject to clawback and a number of potential scenarios were discussed and clarified.

Maintained school representatives of the Forum then proceeded to vote. The Forum voted by a majority to set the clawback rate at 50% for 2021/22.

Decision

1. To agree that the rate of clawback in the Excess School Balances Mechanism for 2021/22 shall be set at 50% of all excessive surplus balances held for more than four years.
2. To note that the Local Authority intends to review the level of clawback 2022/23 onwards and that this will include a review of the length of time that excess balances may be held by schools without being subject to clawback.

SF/21/06 Manchester Growth Fund Concerns

The Forum considered a report of the Directorate Finance Lead – Children Services and Education which discussed concerns about the Local Authority (LA)'s growth fund allocations from the Department for Education (DfE).

The report explained that allocations for the city have continued to decrease year-on-year, despite Manchester's population having continuously grown over the last decade. This was set alongside an increased demand for new schools and in-year expansions in the city having been met by the Local Authority.

An explanation of the DfE's funding methodology alongside associated funding requirements for Local Authorities for new and growing schools was provided to demonstrate how the pressures arise. It was felt that the current growth funding methodology did not take into account the amount that LAs are required to fund new and growing schools was at a higher rate than the amount that is received from the DfE and operated on a lagged basis. This was felt to be unsustainable and exacerbated existing Dedicated Schools Grant (DSG) pressures.

The Forum noted that the Local Authority had opened a dialogue with the DfE about its concerns with the methodology and was awaiting a reply.

Decisions

1. To acknowledge and agree with the Local Authority's concerns in relation to the DfE's growth funding methodology.
2. To support the view that the operation of the DfE's funding methodology in its current form was unsustainable and exacerbated existing Dedicated Schools Grant pressures

SF 21/07 High Needs Block Consultation

The Forum considered a report of the Directorate Finance Lead – Children Services and Education which provided the Authority's draft consultation response to the Department of Education (DfE) consultation on key changes to the High Needs block

National Funding Formula (HNNFF) for financial years 2022/23 onwards

The Directorate Finance Lead – Children Services outlined the context and purpose of the review and the proposed move by the DfE that funding is based on actual expenditure. The DfE were also asking for views as to other possible funding factors that may be used in the formula. The Directorate Finance Lead – Children Services explained that the impact on Manchester in using actual expenditure would increase Manchester's historic spend and would lead to an increase (0.3%) in Manchester's HNNFF if all other funding factors remained unchanged. This was due to the city not being subject to a funding floor or funding cap.

A copy of the Local Authority's draft consultation was included with the report. Individual schools or representatives were encouraged to respond to the consultation.

Decision

To note the report.

SF/21/08 Any Other Business: New and Retiring Forum members

The Chair welcomed Alan Burton to his first meeting of the Forum as it's Pupil Referral Unit Representative.

The Forum also acknowledged that this would be the last meeting (in an official capacity) for Nichola Davidge (Governor Representative) and Councillor Bernard Stone.

The Forum thanked Ms Davidge and Councillor Stone for their valuable contributions and involvement in the Forum's work, during their terms of office.

Decisions

1. To welcome Alan Burton as Pupil Referral Unit Representative for the Forum.
2. To thank Nichola Davidge and Councillor Bernard Stone for their contribution to the work of the Forum.

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**Manchester City Council
Report for Resolution**

Report to: **Schools Forum**

Subject: **Dedicated Schools Grant (DSG) and School Balances
2020/21 – Outturn Report**

Report of: **Directorate Finance Lead – Children’s and Schools**

Summary

The provisional outturn for Manchester maintained schools is an overall surplus of **£20.62m**, which is an increase of **£5.80m** in the total Schools Balances (Revenue & Capital) held compared to 2019/20. The final position on the centrally retained element of the Dedicated Schools Grant (DSG) was a **£2.26m overspend**.

This report summarises the:

- Outturn position on school balances as at 31 March 2021
- Final outturn position on the DSG including the centrally retained DSG.

Recommendations

All Schools Forum members are asked to note and comment on:

- Maintained school balances as at 2020/21
- The DSG cumulative deficit balance £2.26m carried forward into 2021/22

Local authorities no longer require Schools Forum to approve DSG deficit balance being carried forward to 2021/22, following the outcome of the DSG consultation in January 2020. DSG deficit is planned to be recovered over the three years by 2022/23, further details in section 5 of the report.

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers listed on the previous page.

Supporting Reports:

16 November 2020	High Needs Block Recovery
18 September 2020	School Funding Settlement 2021/22
20 January 2020	Dedicated Schools Grant 2020/21

1. INTRODUCTION

- 1.1 The purpose of this report is to state and explain the provisional position of the Dedicated Schools Grant (DSG) for 2020/21 in respect of schools and the Council. The final position will be confirmed once the Council's audited accounts (draft 31 July 2021) have been completed in September 2021. The 2020/21 DSG allocation after recoupment for academies and high needs was **£320.64m**, of which **£300.12m** was delegated to schools, **£18.69m** was retained centrally by the Council and **£1.83m** earmarked towards DSG recovery.

2. PROVISIONAL OUTTURN POSITION FOR SCHOOLS

- 2.1 The provisional outturn position for maintained schools is an overall surplus of **£20.62m**. This is an increase of **£5.80m** in the total balances held compared to 2019/20, of which 49% of the increase is in the primary sector and 35% from the special sector. There has been one primary school which converted to academy status in 2020/21, reducing primary school balances by £123k. Table one below displays total schools' balances by sector. The primary sector balances have increased by £2.81m, of which £2.36m is accounted for by 15 schools where balances have increased by more than £100k (balances at four primary schools increased by more than £200k). Most of the £2.05m increase in the special sector can be accounted for by 6 special schools.
- 2.2 Tables two and three below, provide a breakdown of maintained schools' total balances (as shown in table one), by surplus and deficit balances respectively. There has been no significant change in the actual number of schools in surplus and deficit, although there has been a small movement within the sectors.
- 2.3 Schools' deficit balances have reduced by £1m since last financial year, as shown in table three, due to movement within the special and secondary sector. Appendix one provides individual school revenue and capital balances (excludes capital balances for voluntary aided schools).

Table one: Total Balances for Maintained Schools

Sector	2020/21		2019/20		Movement	
	No.	£000's	No.	£000's	No.	£000's
Nursery	2	-92	2	34	0	-126
Primary	92	16,265	93	13,453	-1	2,812
Secondary	6	1,646	6	582	0	1,064
Special	12	2,797	12	745	0	2,052
Total	112	20,616	113	14,814	-1	5,802

Table two: Surplus Balances for Maintained Schools

Sector	2020/21		2019/20		Movement	
	No.	£000's	No.	£000's	No.	£000's
Nursery	0	0	2	34	-2	-34
Primary	90	16,582	91	13,769	-1	2,813
Secondary	6	1,646	5	793	1	853
Special	12	2,797	11	1,631	1	1,166
Total	108	21,025	109	16,227	-1	4,798

Table three: Deficit Balances for Maintained Schools

Sector	2020/21		2019/20		Movement	
	No.	£000's	No.	£000's	No.	£000's
Nursery	2	-93	0	0	2	-93
Primary	2	-316	2	-316	0	0
Secondary	0	0	1	-212	-1	212
Special	0	0	1	-885	-1	885
Total	4	-409	4	-1,413	0	1,004

- 2.4 Annually, an analysis of reserves review is completed for each school with an excess surplus balance. School balances are classified as excessive where the balance is above a certain threshold: 8% of the budget share for nursery, primary and special schools, and for secondary it is above 5% of the budget share. Table four below, provides a summary of the excess surplus balances 2020/21 by sector, showing that schools with excessive balances has increased by 51% (22 schools) compared to last financial year. Further details on the analysis of reserves and excessive balances are detailed in agenda item 5: Analysis of Excessive Balances and Clawback.

Table four: Excess Balances

Sector	2020/21		2019/20		Movement	
	No.	£000's	No.	£000's	No.	£000's
Nursery	0	0	0	0	0	0
Primary	59	4,034	40	2,887	19	1,147
Secondary	1	187	0	0	1	187
Special	5	823	3	157	2	666
Total	65	5,044	43	3,044	22	2,000

3. RETAINED SCHOOL BUDGET 2020/21

- 3.1 The 2020/21 outturn position for the overall retained schools DSG budget is an underspend of **£0.82m**, the cumulative DSG position is an overspend of **£2.26m**. Table five below sets out the note to the Council's provisional annual accounts in respect of the DSG, which will be reported to the Department for Education (DfE). The Council's expenditure on schools is funded primarily by grant monies provided by the DfE in the DSG. An element of DSG is recouped by the DfE to fund academy schools in Manchester. DSG is ring-fenced and can only be applied to meet expenditure properly included in the Schools Budget as defined in the Schools Finance (England) Regulations 2020. The schools budget includes elements for a range of educational services provided on an authority-wide basis and for the individual school's budget, which is divided into a budget share for each maintained school.

Table five: 2020/21 DSG deployment

DSG Note to the Accounts 2020/21	Central Expenditure £000s	Individual Schools Budget £000s	Total £000s
Final DSG for 2020/21 before academy and high needs recoupment			560,150
Academy and high needs figure recouped for 2020/21			239,508
Total DSG after academy recoupment for 2020/21			320,642
Plus brought forward from 2019/20			(4,281)
Less carry forward to 2021/22 agreed in advance			(2,449)
Agreed initial budgeted distribution in 2020/21	18,689	300,121	318,810
In year adjustments	0	632	632
Final budgeted distribution for 2020/21	18,689	300,753	319,442
Less actual central expenditure	14,190		14,190
Less actual ISB deployed to schools		304,428	304,428
Plus, local authority contribution for 2020/21	0	0	0
In-year carry forward surplus/(deficit) to 2021/22	4,499	(3,675)	824

4. RETAINED DSG DEFICIT

- 4.1 High needs block 2020/21 overspend of £495k, along with overspends in the schools block and central block of £38k and £54k respectively, have been offset by underspends in the early years block of £0.78m, and the underachievement on the planned recovery by £0.63m.
- 4.2 Early years block funding is based on estimated pupil numbers and an adjustment to funding is made by the DfE in July to reflect any increases/decreases between January censuses (i.e. January 2020 and January 2021). This funding methodology has changed temporarily in 2020/21 due to the pandemic impacts on attendance and schools census. The final 2020/21 early years block adjustment will be based on January 2021 and May 2021 censuses. The LA has included approximated accruals for the expected adjustments to the allocation based on the January 2021 census data. The actual adjustments to the budgets are likely to be slightly different, as they will also take into consideration May 2021 census, which at this point cannot be predicted.
- 4.3 DSG carry forward from 2019/20 totalled £4.28mn deficit. The position recovered by £1.2m in-year and by a further £0.82m at year-end, which led to a £2.26m deficit to carry forward to 2020/21 by year-end.

5. DSG RECOVERY

- 5.1 At School Forum in November 2020 it was reported that the projected cumulative DSG deficit, based on period 5 data would be £4.24m in 2020/21, and recovery expected by 2022/23. DSG cumulative deficit 2020/21 of £2.26m, which has reduced by £2.02m since last financial year. The main reason for the reduction is due lower than expected jointly funded placements with Health and Social Care and resolution of early year funding issue in changing the funding methodology for 2020/21, described in para 4.2 above.
- 5.2 DSG received an additional high needs funding (after recoupment) in 2021/22 of £11.46m, of which £9.96m has been allocated to meet demands in growth, and £1.50m is planned to be used towards mitigating the DSG deficit. The projected DSG cumulative deficit 2021/22 as at period 2 is £2.06m. Recovery is still expected by 2022/23, a detailed DSG recovery and tracker will be provided to Schools Forum in future meetings.

6. RECOMMENDATIONS

- 6.1 All Schools Forum members are asked to note and comment on:

- Maintained school balances as at 2020/21
- DSG cumulative deficit balance £2.26m carried forward into 2021/22.

Local authorities no longer require Schools Forum to approve DSG deficit balance being carried forward to 2021/22, following the outcome of the DSG consultation in January 2020.

Appendix One: Individual School's Revenue & Capital Balances as at 31st March 2021

DfE No	Type	Name of School	Schools Balance as at 31 March 2021			2020/21
			REVENUE £	CAPITAL £	TOTAL £	Excess Balances Yes (Y) or No (N)
Nursery						
1008	CY	Collyhurst Nursery	-56,056	5,762	-50,294	Deficit
1007	CY	Martenscroft Nursery	-58,267	15,837	-42,430	Deficit
2		Nursery Total	114,323.01	21,598.91	-92,724.10	0
Primary						
2001	CY	Abbott	27,426	7,395	34,822	N
2048	CY	Acacias	174,209	0	174,209	N
3301	VA	All Saints (NH)	82,739	0	82,739	N
2321	CY	All Saints(Gorton)	180,550	0	180,550	Y
2006	CY	Alma Park	152,144	9,252	161,396	N
3043	VC	Armitage	242,011	0	242,011	Y
2010	CY	Ashbury Meadow	263,033	1	263,034	Y
2326	Foundation	Baguley Hall	392,720	27,357	420,078	Y
2341	Foundation	Benchill	440,519	32,554	473,073	Y
2328	CY	Birchfields	275,785	1,820	277,605	Y
2039	CY	Bowker Vale	159,700	5,292	164,992	N
2298	CY	Broad Oak	-251,696	0	-251,696	Deficit
2340	CY	Button Lane	270,686	9,689	280,375	Y
2057	CY	Cavendish	355,090	0	355,090	Y
2058	CY	Chapel Street	427,099	35	427,134	Y
2060	CY	Charlestown	135,931	21,636	157,566	N
2288	VC	Cheetwood	13,675	0	13,675	N
3003	VC	Chorlton	169,658	1,521	171,179	Y
3402	VA	Christ the King	187,433	0	187,433	Y
2068	CY	Claremont	301,183	8,610	309,793	Y
3490	VA	CofE of The Resurrection	82,911	7,246	90,157	N
2296	CY	Crab Lane	261,276	6,152	267,428	Y
2075	CY	Crosslee	332,389	11,467	343,856	Y
2076	CY	Crowcroft Park	111,397	0	111,397	Y
2327	CY	Crumpsall Lane	174,067	452	174,519	Y
2129	CY	Heald Place	209,367	0	209,367	N
2303	CY	Higher Openshaw	171,182	1,218	172,399	Y
3408	VA	Holy Name	93,238	0	93,238	Y

DfE No	Type	Name of School	Schools Balance as at 31 March 2021			2020/21
			REVENUE £	CAPITAL £	TOTAL £	Excess Balances Yes (Y) or No (N)
3005	VC	Holy Trinity	229,497	0	229,497	Y
2249	CY	Irk Valley	151,381	19,265	170,645	N
2142	CY	Lily Lane	54,045	10,914	64,958	N
2305	CY	Manley Park	289,775	25,098	314,874	Y
2161	CY	Mauldeth Road	211,407	4,109	215,515	Y
2324	CY	Medlock	395,936	2,792	398,728	Y
2164	CY	Moston Fields	-66,375	1,119	-65,255	Deficit
2165	CY	Moston Lane	164,800	768	165,568	N
3503	VA	Mount Carmel	93,320	0	93,320	N
2184	CY	New Moston	188,232	692	188,924	N
2186	CY	Northenden	78,813	9,425	88,238	Y
2330	CY	Oswald Road	247,695	3,173	250,868	Y
3475	VA	Our Lady's	171,495	0	171,495	Y
3506	CY	Park View	231,478	17,550	249,028	Y
2300	CY	Peel Hall	110,216	5,916	116,132	Y
2302	CY	Pike Fold	402,014	0	402,014	Y
2216	CY	Plymouth Grove	178,933	9,407	188,339	Y
2232	CY	Rack House	127,354	0	127,354	N
2234	CY	Ravensbury	364,297	9,065	373,362	Y
2008	CY	Ringway	100,198	282	100,480	N
3464	VA	Sacred Heart (Baguley)	148,161	0	148,161	Y
3505	VA	Sacred Heart (Gorton)	187,295	0	187,295	Y
2301	CY	Sandilands	170,157	9,865	180,022	Y
3491	VA	Saviour	110,570	0	110,570	Y
3041	VC	St Agnes	192,427	11,986	204,413	Y
3415	VA	St Aidan's Catholic	106,295	0	106,295	Y
3418	VA	St Ambrose	112,323	0	112,323	Y
3310	VA	St Andrew's	155,350	0	155,350	N
3504	VA	St Anne's (Ancoats)	81,450	0	81,450	N
3422	VA	St Anne's (Crumpsall)	225,846	0	225,846	Y
3011	VC	St Augustine's	100,293	1,276	101,570	N
3473	VA	St Bernard's	273,722	0	273,722	Y
3429	VA	St Brigid's	96,174	0	96,174	N
3432	VA	St Catherine's	232,845	0	232,845	Y
3015	VC	St Chrysostom's	95,423	0	95,423	N
3501	VA	St Clare's	279,743	0	279,743	Y

DfE No	Type	Name of School	Schools Balance as at 31 March 2021			2020/21
			REVENUE £	CAPITAL £	TOTAL £	Excess Balances Yes (Y) or No (N)
3042	VC	St Clement's	90,319	4,253	94,572	N
3500	VA	St Cuthbert's	98,059	0	98,059	N
3439	VA	St Dunstan's	114,610	0	114,610	N
3440	VA	St Edmund's	180,271	0	180,271	Y
3445	VA	St Francis	107,859	0	107,859	Y
3316	VA	St James'(Rusholme)	102,551	0	102,551	Y
3446	VA	St John Bosco	22,414	0	22,414	N
3045	VC	St John's (Longsight)	163,389	0	163,389	N
3489	VA	St John's (Chorlton)	147,778	0	147,778	N
3494	VA	St Joseph's	91,952	0	91,952	N
5200	VA	St Kentigern's	163,737	10,871	174,608	Y
3044	VC	St Luke's	115,262	20,638	135,901	N
3452	VA	St Malachy's	166,392	0	166,392	Y
3455	VA	St Margaret Mary's	175,518	0	175,518	Y
3022	VC	St Margaret's	382,465	31,498	413,963	Y
3028	VC	St Mary's (Moss Side)	229,005	0	229,005	Y
3484	VA	St Mary's (Moston)	79,891	0	79,891	N
3457	VA	St Mary's (Levenshulme)	160,348	6,289	166,637	Y
3460	VA	St Patrick's	104,267	0	104,267	Y
3039	VC	St Paul's Primary	108,674	19,471	128,145	Y
3465	VA	St Peter's Catholic	100,259	0	100,259	Y
3325	VA	St Philip's	182,343	0	182,343	Y
3482	VA	St Richard's	85,143	4,015	89,158	N
3034	VC	St Wilfrid's (NH)	101,179	0	101,179	Y
3469	VA	St Wilfrid's (Hulme)	124,981	0	124,981	Y
3472	VA	St Willibrord's	153,979	0	153,979	Y
3507	VA	The Divine Mercy	179,626	16,782	196,408	Y
2278	CY	Varna Street	335,443	0	335,443	Y
92		Total	15,856,852	408,212	16,265,064	59
<u>Secondary</u>						
4271	CY	Abraham Moss High	220,199	12,038	232,237	N
4753	VA	Loreto High	187,383	0	187,383	N
4761	VA	Our Lady's High	248,702	0	248,702	N
4762	VA	St Matthew's High	267,771	16,224	283,995	N
4770	VA	St Peter's High	117,333	112,581	229,914	N
4768	VA	The Barlow High	458,927	5,009	463,936	Y

DfE No	Type	Name of School	Schools Balance as at 31 March 2021			2020/21
			REVENUE £	CAPITAL £	TOTAL £	Excess Balances Yes (Y) or No (N)
6		Secondary Total	1,500,316	145,852	1,646,168	1
		<u>Special</u>				
7749	CY	Ashgate	305,067	1,069	306,135	Y
7023	CY	Camberwell Park	184,597	33,643	218,240	N
7029	CY	Lancastrian	196,595	1,767	198,362	N
7007	CY	Manchester Hospital	616,017	23,311	639,328	Y
7042	CY	Meade Hill	88,454	804	89,259	Y
7061	CY	North Ridge High	265,918	39,420	305,338	N
7047	CY	Rodney House	287,838	2,045	289,883	Y
7056	CY	Southern Cross	75,495	976	76,470	N
7041	CY	The Birches	143,846	7,473	151,319	N
7959	CY	Castlefield Campus	136,002	164	136,166	N
1102	CY	Bridglea PRU	365,246	348	365,594	Y
1105	CY	Secondary PRU	10,029	11,152	21,181	N
12		Special Total	2,675,103	122,172	2,797,275	5
112		Total All School	19,917,948	697,836	20,615,783	65

**Manchester City Council
Report for Resolution**

Report to: Schools Forum

Subject: Analysis of Excessive School Balances 2020/21 & Clawback

Report of: Directorate Finance Lead – Children’s and Schools

Summary

All maintained schools deemed to have an excessive balance as reported at year end must complete an analysis of reserves, to account for the control and use of the excessive balances. In 2020/21, Manchester schools’ excessive balances have increased by £2.00m when comparing 2019/20 balances.

The Scheme for Financing schools includes a clawback mechanism (section 4), where schools who have held an excessive surplus balance above the allowable threshold for more than four years will be subject to a clawback, with a right to appeal. In 2020/21 it was decided not to action the excessive clawback mechanism due to the unknown impact of COVID on schools. The clawback rate for 2021/22 was agreed at 50% by Schools Forum 22nd March 2021. This report seeks School Forum’s decision on the use of the funds from the clawback mechanism.

Recommendations

All School Forum members are asked to note and comment on:

- The level of maintained school balances 2021/22
- The excessive clawback 2021/22 for maintained schools

All maintained Schools Forum members are asked to comment and vote on the proposed use of the excessive clawback:

- Any excessive clawback to be offset against the Dedicated Schools Grant (DSG) cumulative deficit balance £2.26m carried forward into 2021/22

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy, please contact one of the contact officers above.

Supporting Reports:

22 March 2021	Excessive School Balance Clawback 2021/22
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1. INTRODUCTION

- 1.1 Annually an analysis of reserves review is completed for each maintained school that has an excessive revenue balance, identifying the planned use of the excessive reserves. Schools' balances are deemed excessive if the surplus is higher than the allowable balance, whereby the allowable balance is deemed to be 8% of the budget share for nursery, primary and special schools, and 5% of the budget share for secondary schools.
- 1.2 Within the Scheme for Financing schools where a maintained school has held an excessive surplus balance above the allowable threshold for more than four years will be subject to the clawback mechanism, with the right to an appeal. It is proposed that these funds are set against the DSG cumulative deficit.

2. EXCESSIVE SURPLUS BALANCES

- 2.1 Table one outlines the excessive balances for 2020/21 by phase on all schools above the allowable balance, a total of £5.04m which is an increase of £2.00m compared to 2019/20 excess balances. The table shows that the number of schools with excessive balances has increased by 51% (22 schools) compared to the last financial year.

Table one: Schools' Excess Balances

Sector	2020/21		2019/20		Movement	
	No.	£000's	No.	£000's	No.	£000's
Nursery	0	0	0	0	0	0
Primary	59	4,034	40	2,887	19	1,147
Secondary	1	187	0	0	1	187
Special	5	823	3	157	2	666
Total	65	5,044	43	3,044	22	2,000

- 2.2 Schools via analysis of reserves have provided commitments for their 2020/21 excess balances, as shown in table two below. The majority of the commitments (£2.20m) are allocated to offset future year budget reductions resulting from falling rolls. This is primarily across 25 primary schools, 1 secondary school, and 2 special schools: Hospital school and Bridgelea Pupil Referral Unit (PRU). Other commitments are for planned works (£1.67m primarily for buildings, grounds improvements and extensions); for planned asset purchases (£0.56m); and to carry forward unspent grants (£0.86m).

Table two: Analysis of Reserves - Committed Spend

2020/21	Excess Balance	Balances held on behalf of other schools	External Balances e.g. Banker School	Planned Work not yet begun or completed	Planned Asset Purchase	To off-set future year budget reductions (falling rolls)	Contingency for backdated payments	Unspent Grants	Total Committed
	£000's	£000's							
Nursery	0	0	0	0	0	0	0	0	0
Primary	4,034	0	16	1,403	511	1,729	0	593	4,253
Secondary	823	0	0	0	54	163	0	0	217
Special	187	46	0	265	20	308	55	263	958
Total	5,044	46	16	1,668	585	2,200	55	856	5,427

- 2.3 Collectively, schools have committed spend of £5.43m, above and beyond their excessive balances of £5.04m, with some outlining plans for parts of their allowable surplus balances.
- 2.4 Appendix one provides a list of 13 schools where the excessive balances are above £100k.
- 2.5 Appendix two provides a full list of the 65 schools with excessive balances at end of 2020/21, detailing their total year-end balance and excess balances for 2020/21. The final column illustrates the school year-end balance 2020/21 as a proportion of their current year's budget share.

3. EXCESSIVE SURPLUS BALANCES CLAWBACK

- 3.1 Pursuant to section 4.2 of the Scheme for Financing Schools, maintained schools are subject to a clawback of any excessive surplus balances held by the school for a period of more than four years. Schools have the right to challenge this clawback via appeal to a panel, made up of school forum members. Example of how the excessive clawback mechanism works is illustrated in Appendix three. In March 2021, Schools Forum agreed the rate of the 2021/22 automatic clawback at 50%.
- 3.2 In 2020/21, 18 schools have been identified as subject to the automatic excessive balances clawback, with collective excessive balances over the allowable threshold totalling £1.48m. £0.60m of these balances have been held for more than four years, which will be clawed back at the rate of 50%, totalling £304k. Appendix four outlines the excessive balances held by these 18 schools over the past five years, with the two columns on the right hand-side showing the excess balances held for more than four years as well as the clawback amount.
- 3.3 The 18 schools subject to clawback were notified via email in May 2021. Formal letters are scheduled to be issued to schools in June 2021, outlining details of the clawback and the appeals process. The clawback will be actioned where possible via schools' budget shares in July 2021.
- 3.4 This report seeks approval from the maintained Schools Forum members that the

funds recovered by the excessive clawback 2021/22 is used to support the DSG recovery plan. The LA propose to use the £304k clawback to against the £2.26m DSG cumulative deficit balance carried forward into 2021/22.

4. CONCLUSIONS AND RECOMMENDATIONS

4.1 **All** School Forum members are asked to note and comment on:

- The level of maintained school balances 2021/22
- The excessive clawback 2021/22 for maintained schools

4.2 **All maintained** Schools Forum members are asked to comment and vote on the proposed use of the excessive clawback:

- Any excessive clawback to be offset against the Dedicated Schools Grant (DSG) cumulative deficit balance £2.26m carried forward into 2021/22

Appendix One: 2020/21 Excess Balances over £100k (13 schools)

DfE Number	School Sector	School	NOR October 2020	Excess Balance 2020/21 £000s	Excess Balance 2019/20 £000s	Variance Year on Year
2341	Foundation	Benchill Primary	472	261,817	171,787	90,029.37
2324	CY	Medlock Primary	382	224,594	149,183	75,410.26
2326	Foundation	Baguley Hall Primary	454	216,103	5,664	210,438.67
2302	CY	Pike Fold Primary	415	214,548	290,757	-76,209.24
2234	CY	Ravensbury Primary	411	183,802	14,792	169,010.09
3022	VC	St Margaret's Primary	578	169,037	0	169,037.25
3473	VA	St Bernard's Primary	243	166,354	0	166,354.50
2075	CY	Crosslee Primary	397	162,507	0	162,506.91
2058	CY	Chapel Street Primary	620	159,307	0	159,307.41
2278	CY	Varna Street Primary	416	150,053	69,616	80,437.39
2305	CY	Manley Park Primary	398	149,534	105,517	44,016.46
2057	CY	Cavendish Primary	619	102,869	0	102,868.76
3325	VA	St Philip's Primary	180	100,366	0	100,366.19

Appendix Two: List of All Schools with Excess Balances in 2020/21 (65 Schools)

DFE NO	Type	School	YEAR END BALANCES (Revenue & Capital)	EXCESS BALANCES	BUDGET SHARE INCOME (Early Years, Schools Block, & High Needs)	YEAR END BALANCE as % of BUDGET SHARE
			2020-21 £	2020-21 £	2021-22 £	%
Primary						
2321	CY	All Saints Primary(Gorton)	180,550	78,481	1,275,863	14.2%
3043	VC	Armitage CofE Primary	242,011	49,710	2,403,764	10.1%
2010	CY	Ashbury Meadow Primary	263,034	57,478	2,569,446	10.2%
2326	Foundation	Baguley Hall Primary	420,078	216,103	2,549,685	16.5%
2341	Foundation	Benchill Primary	473,073	261,817	2,640,712	17.9%
2328	CY	Birchfields Primary	277,605	19,594	3,225,141	8.6%
2340	CY	Button Lane Primary	280,375	89,951	2,380,302	11.8%
2057	CY	Cavendish Primary	355,090	102,869	3,152,762	11.3%
2058	CY	Chapel Street Primary	427,134	159,307	3,347,833	12.8%
3003	VC	Chorlton CofE Primary	171,179	80,359	1,135,243	15.1%
3402	VA	Christ the King RC Primary	187,433	12,310	2,189,027	8.6%
2068	CY	Claremont Primary	309,793	35,621	3,427,143	9.0%
2296	CY	Crab Lane Primary	267,428	98,997	2,105,381	12.7%
2075	CY	Crosslee Primary	343,856	162,507	2,266,868	15.2%
2076	CY	Crowcroft Park Primary	111,397	11,408	1,249,865	8.9%
2327	CY	Crumpsall Lane Primary	174,519	4,594	2,124,060	8.2%
2303	CY	Higher Openshaw Primary	172,399	31,119	1,766,003	9.8%
3408	VA	Holy Name RC Primary	93,238	2,469	1,134,610	8.2%
3005	VC	Holy Trinity CofE Primary	229,497	41,226	2,353,377	9.8%
2305	CY	Manley Park Primary	314,874	149,534	2,066,750	15.2%
2161	CY	Mauldeth Road Primary	215,515	36,322	2,239,916	9.6%
2324	CY	Medlock Primary	398,728	224,594	2,176,677	18.3%
2186	CY	Northenden Primary	88,238	2,114	1,076,550	8.2%
2330	CY	Oswald Road Primary	250,868	23,460	2,842,609	8.8%
3475	VA	Our Lady's RC Primary	171,495	94,336	964,493	17.8%
3506	CY	Park View Primary	249,028	80,373	2,108,190	11.8%
2300	CY	Peel Hall Primary	116,132	6,336	1,372,449	8.5%
2302	CY	Pike Fold Primary	402,014	214,548	2,343,329	17.2%
2216	CY	Plymouth Grove Primary	188,339	11,116	2,215,294	8.5%
2234	CY	Ravensbury Primary	373,362	183,802	2,369,505	15.8%
3464	VA	Sacred Heart Catholic Baguley	148,161	57,459	1,133,768	13.1%
3505	VA	Sacred Heart RC Gorton	187,295	58,667	1,607,856	11.6%
2301	CY	Sandilands Primary	180,022	18,462	2,019,493	8.9%
3491	VA	Saviour CofE Primary	110,570	14,170	1,216,152	9.1%
3041	VC	St Agnes CofE Primary	204,413	28,032	2,204,760	9.3%
3415	VA	St Aidan's Catholic Primary	106,295	7,558	1,234,214	8.6%
3418	VA	St Ambrose RC Primary	112,323	26,096	1,077,840	10.4%
3422	VA	St Anne's RC Primary Crumpsall	225,846	61,583	2,053,296	11.0%
3473	VA	St Bernard's RC Primary	273,722	166,354	1,342,098	20.4%
3432	VA	St Catherine's RC Primary	232,845	85,910	1,836,685	12.7%
3501	VA	St Clare's RC Primary	279,743	98,129	2,270,181	12.3%
3440	VA	St Edmund's RC Primary	180,271	85,532	1,184,234	15.2%
3445	VA	St Francis RC Primary	107,859	10,619	1,215,503	8.9%
3316	VA	St James' CofE Rusholme	102,551	7,774	1,184,712	8.7%
5200	VA	St Kentigern's RC Primary	174,608	25,269	1,866,744	9.4%

DFE NO	Type	School	YEAR END BALANCES (Revenue & Capital)	EXCESS BALANCES	BUDGET SHARE INCOME (Early Years, Schools Block, & High Needs)	YEAR END BALANCE as % of BUDGET SHARE
			2020-21 £	2020-21 £	2021-22 £	%
3452	VA	St Malachy's RC Primary	166,392	71,577	1,185,185	14.0%
3455	VA	St Margaret Mary's RC Primary	175,518	46,686	1,610,402	10.9%
3022	VC	St Margaret's CofE Primary	413,963	169,037	3,061,574	13.5%
3028	VC	St Mary's CofE Moss Side	229,005	42,263	2,334,273	9.8%
3457	VA	St Mary's RC Primary Levenshulme	166,637	24,166	1,780,885	9.4%
3460	VA	St Patrick's RC Primary	104,267	29,081	939,831	11.1%
3039	VC	St Paul's CofE Primary	128,145	4,522	1,545,290	8.3%
3465	VA	St Peter's Catholic Primary	100,259	3,366	1,211,166	8.3%
3325	VA	St Philip's CofE Primary	182,343	100,366	1,024,712	17.8%
3034	VC	St Wilfrid's CofE Newton Heath	101,179	2,477	1,233,777	8.2%
3469	VA	St Wilfrid's RC Primary Hulme	124,981	31,781	1,164,997	10.7%
3472	VA	St Willibrord's RC Primary	153,979	45,511	1,355,844	11.4%
3507	VA	The Divine Mercy RC Primary	196,408	19,376	2,212,898	8.9%
2278	CY	Varna Street Primary	335,443	150,053	2,317,369	14.5%
		Primary Total	12,953,324	4,034,330	111,498,582	
Secondary						
4768	VA	The Barlow RC High	463,936	186,758	5,543,560	8.4%
		Secondary Total	463,936	186,758	5,543,560	
Special						
7749	CY	Ashgate Primary	306,135	82,842	2,791,167	11.0%
1102	CY	Bridglea PRU	365,594	175,373	2,377,765	15.4%
7007	CY	Manchester Hospital School	639,328	416,585	2,784,284	23.0%
7042	CY	Meade Hill	89,259	5,069	1,052,373	8.5%
7047	CY	Rodney House	289,883	143,189	1,833,684	15.8%
		Special Total	1,690,199	823,057	10,839,273	
		Total All Above Schools	15,107,460	5,044,146	127,881,414	

Appendix Three: Illustration of Excessive Clawback mechanism.

Table below gives an illustration of the automatic clawback calculation at school level. All three schools have demonstrated robust plans to spend the excess balance, and all have the same excessive balance of £250k at the end of the current financial year. Each school is subject to a different clawback due to the lowest excessive balance over the five years.

	School A	School B	School C
	Excessive Balance (above 5% or 8% threshold)	Excessive Balance (above 5% or 8% threshold)	Excessive Balance (above 5% or 8% threshold)
Year one: 2020/21	£250,000	£250,000	£250,000
Year two: 2019/20	£8,500	£150,000	£780,000
Year three: 2018/19	£0	£95,000	£785,000
Year four: 2017/18	£0	£10,000	£700,000
Year five: 2016/17	£56,000	£100,000	£650,000
Excess Balance held for 5 years	£0	£10,000	£250,000
Clawback at 50%	£0	£5,000	£125,000
Clawback at 100%	£0	£10,000	£250,000

Where a school has not held an excess balance above the threshold for more than four years, like school A in the table above, and has demonstrated robust plans to spend (Analysis of Reserves) there will be no clawback. But if School A has **not** demonstrated sufficient robust plans to spend the excess balance, the clawback will be applied prior to the lapse of the allowable balance retention period of more than four years. In this example, the school would be subject to clawback of a maximum of £250k.

The appeals panel will continue under both options as this gives schools subject to a clawback an opportunity to present evidence of their extenuating circumstances which have led to individual schools holding excessive balances over five years.

Appendix Four: 2020/21 Excess Balances for 18 Clawback Schools

DfE no	Name of School	Excess Balance (£ Above Allowable Balance)					Excess Balance held for more than 4 years	Clawback at 50%
		2020/21	2019/20	2018/19	2017/18	2016/17		
2010	Ashbury Meadow Primary	57,478	516,888	551,075	618,311	394,785	57,478	28,739
2328	Birchfields Primary	19,594	70,189	388,033	428,023	189,403	19,594	9,797
3003	Chorlton CofE Primary	80,359	114,573	91,385	60,664	35,290	35,290	17,645
2076	Crowcroft Park Primary	11,408	92,891	190,404	185,392	154,975	11,408	5,704
2161	Mauldeth Road Primary	36,322	114,065	185,036	421,760	292,997	36,322	18,161
2186	Northenden Primary	2,114	9,413	36,178	53,895	40,213	2,114	1,057
3506	Park View Primary	80,373	28,855	156,819	501,838	416,399	28,855	14,427
2302	Pike Fold Primary	214,548	290,749	692,780	671,040	637,671	214,548	107,274
2234	Ravensbury Primary	183,802	14,807	127,362	60,972	48,807	14,807	7,404
3464	Sacred Heart Catholic Baguley	57,459	5,239	69,816	213,938	191,643	5,239	2,620
3491	Saviour CofE Primary	13,278	27,355	164,225	148,687	108,183	13,278	6,639
3041	St Agnes CofE Primary	28,032	35,077	93,545	124,413	148,057	28,032	14,016
3415	St Aidan's Catholic Primary	7,558	29,153	81,830	267,963	248,094	7,558	3,779
3418	St Ambrose RC Primary	26,096	39,037	152,054	131,026	35,035	26,096	13,048
3455	St Margaret Mary's RC Primary	46,686	23,265	193,586	293,962	241,532	23,265	11,632
3472	St Willibrord's RC Primary	45,511	27,059	9,330	123,392	53,780	9,330	4,665
2278	Varna Street Primary	150,053	69,608	298,926	320,676	208,649	69,608	34,804
7007	Manchester Hospital School	416,585	5,731	604,594	367,421	415,261	5,731	2,866
	Totals	1,477,256	1,513,954	4,086,976	4,993,373	3,860,776	608,552	304,276

Manchester City Council Report for Resolution

Report to: [Schools Forum](#)

Subject: **High Needs Block Overview**

Report of: **Directorate Finance Lead – Children’s and Schools**

Summary

The high needs block (HNB) is expected to support recovery of the Dedicated Schools Grant (DSG) overspend of £2.26m by the end of 2022/23. Currently this has been met through additional grant income provided by the three-year schools funding settlement. Moving forward though more tangible savings are required through review of education provision and ensuring all funding is targeted to ensure best value for money.

This report and supporting presentation summarise the:

- The current HNB budget of c. £100m and how growth in funding has been allocated over time.
- The challenges to be faced moving forward by the Council and how these challenges will be managed.

Recommendations

All Schools Forum members are asked to note and comment on:

- High needs block position 2021/22
- Analysis on current budget challenges and prevention strategies being put in place

The attached presentation: HNB Webinar Review was presented to special school head teachers in May 2021, which provides an overview of the HNB in entirety and supports a better understanding of high needs funding system and challenges.

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

Supporting Reports:

16 November 2020	DSG Position
16 November 2020	High Needs Block Recovery
18 January 2021	Dedicated Schools Grant 2021-22

1. INTRODUCTION

- 1.1 The purpose of this report and the supporting presentation (HNB Webinar Review) is to explain the current position of the HNB, which accounts for c.£100m of Manchester's Dedicated Schools Grant (DSG) 2021/22. The supporting presentation provides further context on the following areas:
- A full breakdown on how the HNB block budget for financial year 2021/22 has been broken into categories of spend. This also provide an insight into the full HNB remit.
 - Strategic pressures and challenges that the Council will face moving forward. Potential strategies on how these financial pressures can be alleviated.
 - How special school funding has changed over the last four financial years and comparing against growth in pupil numbers to understand the per pupil increase in funding provided.
 - A comparison on how differently all North West Councils fund their special schools.
 - A summary of expensive independent placement for both the pre-16 and post-16 pupil cohorts. To outline the significance of reducing these placements where possible to support more targeted funding elsewhere in the high needs system.
 - Review of Department of Education 2019/20 benchmarking information for pupil and funding data which has been analysed against other Core Cities such as Leeds and Liverpool.
 - The pressures that tribunal decisions put on Education teams and the budget. The importance across the City to be able to win these cases where possible.
 - Steps agreed to move forward to support better collaborative working between the Council and education providers.
- 1.2 This presentation was collated to support discussion with Manchester's special school head teachers to provide them a wider picture of high needs pressures across the City. Leading towards discussion of multi-agency strategy development allowing for a consistent approach moving forward to support our children's and young people of the City and achievement Our Manchester priorities.

2. Recommendations

- 2.1 All Schools Forum members are asked to note and comment on:
- High needs block position 2021/22
 - Analysis on current budget challenges and prevention strategies being put in place
- 2.2 The attached presentation: HNB Webinar Review was presented to special school head teachers in May 2021, which provides an overview of the HNB in entirety and supports a better understanding of high needs funding system and challenges.



MANCHESTER
CITY COUNCIL

High Need Block Workshop

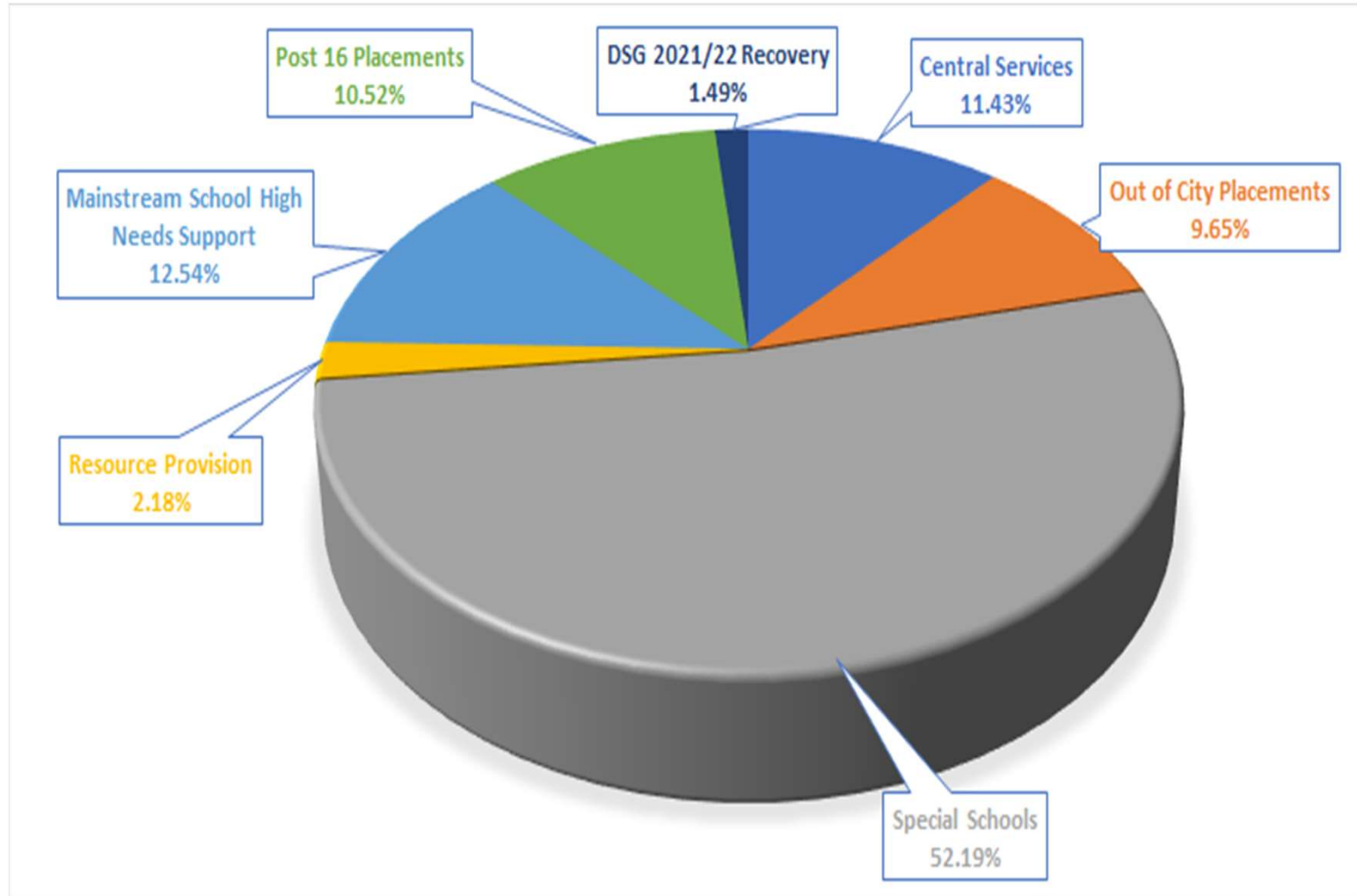
Amanda Corcoran

July 2021

High Need Block Workshop

- Summary of High Need Block 2021/22 Budget
- High Need Block Budget Pressures, Challenges and Strategies
- Year on Year Budget Analysis
- North-West Local Authorities Top-up Comparison
- Education Placement costs and admissions
 - Pre-16 Placements
 - Post-16 Placements
- High-Cost Placements who attended Special Schools
- Core Cities Benchmarking 2019/20 High Needs Block (Pupil & Budget Comparison)
- **Education Agenda:**
 - Tribunal Decisions (Parent Preference) - Additional Therapies
 - Moving Forward

High Need Block 2021/22 Budget £100.584m



High Needs Block Budget Pressures, Challenges and Resolutions

Pressures and Challenges:

- The main challenge for Manchester is the continual annual growth in our schools' population.
- This continual growth can also be seen mirrored in the number of EHC plans which leads to growing costs.
- The effect of the DfE in September 2014 of changing legislation for the High Need Block to cover Education for pupils up to the aged of 25.

Resolution Strategies:

- Inclusive schools and resource provision in mainstream schools.
- Building capacity in our Manchester provision of which 151 places will be created in our Special Schools in FY 2021/22.
- Work in collaborations with all partners to reduce expensive residential placements where not required.
- Improving Manchester's Alternative Provision and Post 19 offer

Year on Year Budget Analysis

- Below annual growth in EHC plans for Manchester:

Academic Year	2017/18	2018/19	2019/20	2020/21
No. of EHCPs	3,750	4,284	4,856	5,050
Increase in EHCPs		534	572	194
% increase in EHCPs		14.24%	13.35%	4.00%
*Numbers based on finalised plans in March of every year				

- Below special school growth in budget over last 4 years:

Financial Year	2017/18	2018/19	2019/20	2020/21
Special Schools Budget £ (Excluding Comm. Services)	34,009,933	36,600,465	39,881,446	43,182,331
Special Schools commissioned places*	1,965	2,142	2,260	2,380
Special School Per Pupil Funding £	17,308	17,087	17,647	18,144
Budget Increase % Year on Year		7.62%	8.96%	8.28%
Pupil Increase % Year on Year		9.01%	5.51%	5.31%

North-West Local Authorities Top-up Comparison

- One challenge within the high needs block is the inconsistencies across all Local Authority areas on top-up funding.
- Below is a summary of North-West LA Top-up funding levels:

Local Authority	Lowest Cost £	Highest Cost £
Blackburn & Darwen	0	16,900
Blackpool	0	13,354
Bury	10,000	40,000
Bolton	669	39,032
Cumbria	2,880	12,197
Knowsley	504	38,348
Liverpool	606	10,646
Manchester	7,300	15,000
Sefton	3,389	14,522
Stockport	1,673	15,234
Tameside	5,102	32,753
Trafford	3,972	25,497
Warrington	2,870	12,549
Wigan	6,136	15,150
Average Costs	3,222	21,513

- Majority of LA still fund based on a child's primary need and funding can swing significantly on this basis.
- Most North-West LAs are currently transitioning to a banded model.
- Manchester LA provides exceptional funding above banding in the form of Partnership.

Education Placements Pre-16

<u>Independent Pre-16 Day Placements Financial Costs</u>			
	Average Cost	Lowest Cost	Highest Cost
	£	£	£
Day Placements	38,556	15,000	89,223

All pupils attending Independent Pre-16 Day Placements have a diagnosed need of Social, Emotional Mental Health or Autism.

The indicative annual average funding rate for our top 7 most used independent providers is £39,446

<u>Growth in Independent Placements (Last 4 financial Years)</u>				
	2017/18	2018/19	2019/20	2020/21
Independent Day Placements	16	30	30	44

Education Placements Post-16

Independent Specialist post-16 day placement costs			
	Average Cost	Lowest Cost	Highest Cost
	£	£	£
School Day Placements	46,317	8,003	89,605
College Day Placements	45,474	21,477	73,256

The mix of pupils attending Independent Post-16 Day are more varied than Pre-16 Day Placements.

The indicative annual average funding rate for our top 5 most used independent providers is £49,296

Change in Post-16 Placements (Last 3 financial Years)			
	2018/19	2019/20	2020/21
Mainstream Day Placements	43	45	68
Specialist Day Placements	2	5	-10

The above table shows the growth and reduction in places in all post 16 placements over the last three years. Independent places are included as part of the Specialist Day placement category.

High-Cost Placements who attended Manchester Special Schools

- The High Need Block budget covers the Education element of all Education, Health and Care Plan placements.
- If a suitable placement cannot be sort in one of our Manchester provisions a more costly independent placement has to be agreed.

Core Cities Benchmarking 2019/20 Pupil Comparison

- Below summarises comparisons with other similar Core Cities from DfE S251 pupil data:

Number per 1000 of 2-18 population with SEN statement or EHC plan and placement of these pupils and students

	Birmingham	Bristol	Leeds	Liverpool	Manchester	Newcastle upon Tyne	Nottingham	Sheffield	Manchester Ranking
Population	274,713	89,329	159,930	89,146	116,428	55,792	65,639	112,379	
No. aged up to 25 with SEN statement or EHCP	34.4	25.5	24.0	29.3	35.8	26.7	15.6	28.5	1
of these, placements in:									
Mainstream schools or academies	6.8	4.7	6.6	4.6	12.4	5.3	3.1	6.4	1
Resourced provision or SEN units	2.1	1.9	1.0	0.7	0.7	1.8	0.5	2.4	6
Maintained special schools or special academies	15.5	10.1	9.2	16.0	12.9	12.3	8.2	10.7	3
NMSS or independent schools	1.5	0.8	0.5	1.1	1.1	2.1	0.6	0.9	3
Hospital schools or alternative provision	0.1	0.2	0.0	0.2	0.7	0.1	0.1	0.2	1

Core Cities Benchmarking 2019/20

Budget Comparison

- Below summarises comparisons with other similar Core Cities from DfE S251 budget data for place and top-up funding:

High needs budget and/or outturn reported in section 251 and amounts per head of 2-18 population (Place Funding)									
	Birmingham	Bristol	Leeds	Liverpool	Manchester	Newcastle upon Tyne	Nottingham	Sheffield	Manchester Ranking
<i>Population</i>	274,713	89,329	159,930	89,146	116,428	55,792	65,639	112,379	3
Total place funding for special schools and AP/PRUs	£196	£141	£115	£186	£183	£186	£110	£127	3
<i>Special schools and academies</i>	£180	£121	£102	£171	£136	£171	£86	£111	3
<i>PRUs and AP academies</i>	£16	£20	£13	£15	£47	£16	£24	£16	1

High needs budget and/or outturn reported in section 251 and amounts per head of 2-18 population (Top-up Funding)									
	Birmingham	Bristol	Leeds	Liverpool	Manchester	Newcastle upon Tyne	Nottingham	Sheffield	Manchester Ranking
Top up funding special schools and AP/PRUs	£167	£191	£104	£145	£154	£185	£149	£100	4
<i>Special schools and academies</i>	£159	£179	£104	£133	£128	£163	£92	£100	5
<i>PRUs and AP academies</i>	£8	£12	£0	£12	£25	£22	£58	£0	2

Tribunals

Year	Number	Resolved	Reason	Cost to LA	Reason	Savings to LA
2019	49	40	Parental preference		Efficient use of resources	£176,691 per annum
2020	43	41	Parental preference, class size and therapy	£51,725 per annum	Efficient use of resources	
2021	9	4	school parental preference		Efficient use of resources	

- The main reason for parent’s decision to go to tribunal is parental preference.
- LA’s main reason for going forward with a tribunal would be around consideration of the parent’s request not being efficient use of resources.
- EHCP, schools, health and social care work together to try and resolve all tribunals, to provide positive outcomes for those young people and to create efficiencies.
- *Update:* 2021 numbers are currently at 15. Out of the 15 we have defended a minimal number based on efficient use of resources.

Moving Forward

Please see following questions for comments and discussion:

- How can we further reduce special school day placements in the independent sector?
- How can we improve our post 16 offer and reduce spend in the independent sector?
- How can we prevent young people needing high cost 52-week residential placements?
- Any other ideas which would allow us to further invest in Manchester based provision and reduce spend on high needs block?

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**Manchester City Council
Report for Resolution**

Report to: [Schools Forum](#)
Subject: Forward Plan 2021/22
Report of: Directorate Finance Lead - Children's and Schools

Summary

Forward plan of Schools Forum business for the forthcoming academic year.

Recommendations

Members of Schools Forum are asked to note the report.

Contact Officers:

Name: Reena Kohli
Position: Directorate Lead Children and Families Finance
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Name: Anne Summerfield
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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

1. INTRODUCTION

- 1.1 The following report provides a forward plan for essential approvals and reports that will be brought to the Schools Forum by officers throughout the 2021/22 academic year. Further reports will be added to the Forum agenda as and when required.

2. FORWARD PLAN

Meeting	Reports
20 th September 2021	<ul style="list-style-type: none"> ● National Funding Formula updates ● Dedicated Schools Grant monitoring Q1 & Q2 ● DSG Recovery Plan ● Annual Review of Scheme for Financing Schools and School Financial regulations
15 th November 2021	<ul style="list-style-type: none"> ● Early Years Funding 2021/22 update ● National Funding Formula updates ● Benchmarking Schools Block
17 th January 2022	<ul style="list-style-type: none"> ● DSG settlement and budget for forthcoming year
21 st March 2022	<ul style="list-style-type: none"> ● DSG budget monitoring update
16 th May 2022	<ul style="list-style-type: none"> ● DSG update – adjustment to grant allocations ● High Needs Block
18 th July 2022	<ul style="list-style-type: none"> ● National Funding Formula updates ● Outturn report – School Balances and centrally retained DSG ● Review of Analysis of Reserves ● Early Years Block review

- 2.1 Updates to schools and early years funding reforms will continue to be provided to Schools Forum as announcements are made.

3. RECOMMENDATIONS

- 3.1 Members of Schools Forum are asked to note the report.