



## Regulatory and Other Committee

### Open Report on behalf of Debbie Barnes OBE, Executive Director Children's Services

Report to:	<b>Lincolnshire Schools' Forum</b>
Date:	<b>26 June 2018</b>
Subject:	<b>Section 251 Budget Statement 2018/19</b>

#### Summary:

The purpose of this report is to provide Schools Forum with a copy of the s.251 budget statement for the 2018/19 financial year.

#### Recommendation(s):

The Schools Forum is asked to note the content of the report.

### Background

Local Authorities (LA) are required under s.251 of the Apprenticeship, Skills, Children and Learning Act 2009 to prepare and submit an education and children's social care budget statement for the relevant period to the Secretary of State for Education by 30 April each year. The s.251 return is intended to provide a clear picture of the LA's planned spending on its schools budget, de-delegated items, high needs budget, early years budget, central provision within the schools budget and children's and young people's services.

The LA's s.251 budget statement, and the DfE's benchmarking data that will be published later in the year, this should assist the Schools Forum's consideration of budget levels and the balance of funding between early years, primary, secondary and special schools.

The information for 2018/19 was submitted to the DfE via its data collection and management system for education (COLLECT). As is customary, the DfE will carry out a number of checks on it. However, to ensure compliance with the statutory requirements, the LA has published the Early Years report, the LA Table report and the Schools Table report in the 'Downloads' section of LCC's website at:

<https://www.lincolnshire.gov.uk/parents/schools/for-schools/schools-financial-information/s251/131970.article>

This means that details are available to all maintained schools and academies; private, voluntary and independent providers that are funded to provide free early years provision to two, three and four year olds. The documents will be refreshed should the DfE require any amendments to the LA's statement.

The overall Dedicated Schools Grant (DSG) funding is considered when the LA completes its annual detailed budget setting exercise. For 2018/19 the DSG now consists of four

blocks – Schools Block, Central Schools Services Block (CSSB), High Needs Block and Early Years Block, each of these blocks have been determined by a separate national funding formula. The Schools Block is ring-fenced and LA's are only able to transfer 0.5% of their Schools Block funding to an alternative block with the agreement of their Schools Forum following consultation with all schools and academies. Movements of budget from the CSSB to the Schools Block, or from the High Needs Block to any other block are not subject to any limit, and can be made in consultation with Schools Forum.

Attached to this report is a copy of Table 1 – LA level information. This provides an overall picture of the funding being allocated direct to schools and high needs delegations, the amount being spent on education centrally and children's social care. The Table 1 reporting format has however not changed following the creation of the distinct DSG funding blocks.

The 2018/19 DfE changes create limitations in movement of funding between blocks to respond to arising cost pressures. There are a number of budgets that are difficult to estimate and control due to the demand-led nature of the services supported through the DSG High Needs Block in particular, (e.g. top up funding for Education Health Care (EHC) plans for mainstream pupils, special school pupil placements, out of county placements, and meeting the education needs for pupils through alternative provision placements), therefore this does create a potential future financial risk to the affordability of the High Need Block in light of these changes.

In 2018/19, Lincolnshire has received c.£5.2m of protection funding following the implementation of the new High Needs national funding formula to provide stability against the prior year funding level. For 2019/20, the High Needs Block is planned to increase by 0.5% (or £0.374m). The limited financial growth planned is not aligned to local data, therefore the LA will continue to undertake detailed monitoring and trend analysis to ensure affordability of the High Needs Block. It is a pressure for LAs across the country. Funding levels post 2019/20 are subject to the government's next spending review.

Following a review of the historical commitments within the CSSB in 2017/18, the LA was able to identify savings of £0.250m relating to Schools Broadband for 2018/19. These savings were transferred to the Schools Block to fund: the Primary Schools Rents factor; the implementation of the national funding formula, and the Growth Fund to enable the LA to fulfil its strategic and statutory responsibilities to provide sufficient school places for pupils in Lincolnshire. Members of the Schools Forum agreed to this transfer in the January 2018 Schools Forum Meeting.

The LA will present a report on the s.251 benchmarking data later in the year, following publication of LAs' data by the DfE.

## **Consultation**

### **a) Have Risks and Impact Analysis been carried out??**

No

### **b) Risks and Impact Analysis**

n/a

## Appendices

These are listed below and attached at the back of the report	
Appendix A	The LA's s.251 Table 1 data for 2018/19.

## Background Papers

Document title	Where the document can be viewed
Schools Funding arrangements 2018/19	<a href="http://lincolnshire.moderngov.co.uk/ieListDocuments.aspx?CId=166&amp;MId=5160&amp;Ver=4">http://lincolnshire.moderngov.co.uk/ieListDocuments.aspx?CId=166&amp;MId=5160&amp;Ver=4</a>

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