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Ask for Anne Barrett

PUBLIC

To: Members of Cabinet Member - Children's Services and Safeguarding

28 May 2021

Dear Councillor

Please attend a meeting of the **Cabinet Member - Children's Services and Safeguarding** to be held at **12.00 pm** on **Tuesday, 8 June 2021**; in the Members Room, County Hall, Matlock DE4 3AG

The agenda for which is set out below.

Yours faithfully

A handwritten signature in black ink that reads 'Helen E. Barrington'.

Helen Barrington
Director of Legal Services

A G E N D A

PART I - NON-EXEMPT ITEMS

1. To receive declarations of interest (if any)
2. To receive the minutes of the Cabinet member meeting Young People held on 13 April 2021 (Pages 1 - 2)
3. To consider the joint reports of the Executive Director of Children's Services and the Director of Finance and ICT on:

3 (a) Revenue Outturn 2020-21 (Pages 3 - 12)

3 (b) Dedicated Schools Grant Outturn 2020-21 (Pages 13 - 20)

MINUTES of a meeting of the **CABINET MEMBER – YOUNG PEOPLE** held on 13 April 2021.

PRESENT

Cabinet Member - Councillor A Dale

Also in attendance – Councillors J Patten and J Coyle

14/21 **MINUTES** **RESOLVED** that the minutes of the meeting of the Cabinet Member for Young People held on 2 March 2021 be confirmed as a correct record.

15/21 **CONFIRMATION OF NOMINATIONS OF SCHOOL GOVERNORS**

The Cabinet member had been asked to confirm the nominations of persons to serve as local authority school governors.

Nominations to school governing boards were proposed as set out below.

Any appointments made by governing boards would be subject to the completion of a Declaration of Eligibility form, a proof of identity check and an enhanced DBS check.

| Name | School | Nominating Councillor | Appointment |
|---------------------------------|------------------------------------|------------------------------|--------------------|
| Bolsover M Hilton | Bolsover Infant & Nursery School | J Dixon | New appointment |
| Derbyshire Dales M Griffiths | Middleton Community Primary School | I Ratcliffe | New appointment |
| Erewash A Fletcher | Morley Primary School | C Hart | New appointment |
| South Derbyshire D Shepherd | Stenson Fields Primary School | N Atkin | Re-appointment |
| South Derbyshire M Stephens | Melbourne Infant School | L Chilton | New appointment |

RESOLVED that the Cabinet Member confirms the nominations for persons to serve as local authority governors as detailed in the report.

16/21 **EXCLUSION OF THE PUBLIC** **RESOLVED** that under Regulation 4 (2)(b) of the Local Authorities (Executive Arrangements) (Meetings

and Access to Information) (England) Regulations 2012, the public be excluded from the meeting for the following items of business on the grounds that in view of the nature of the items of business, that if members of the public were present, exempt information as defined in Paragraph 2 of Part 1 of Schedule 12A to the Local Government Act 1972 would be disclosed to them.

SUMMARY OF PROCEEDINGS CONDUCTED AFTER THE PUBLIC, INCLUDING THE PRESS, WERE EXCLUDED FROM THE MEETING

1. To confirm the exempt Minutes of the meeting held on 2 March 2021.

17/21 **MINUTES** **RESOLVED** that the exempt minutes of the meeting Held on 2 March 2021 be confirmed as a correct record.

PUBLIC

Agenda Item No. 3 (a)

Author: Karen Gurney (x38755)

DERBYSHIRE COUNTY COUNCIL

CABINET MEMBER FOR CHILDREN'S SERVICES AND SAFEGUARDING

8 June 2021

Joint Report of the Executive Director of Children's Services and the Director of Finance & ICT

REVENUE OUTTURN 2020-21 (CHILDREN'S SERVICES AND SAFEGUARDING)

1. Purpose of the Report

To provide the Cabinet Member with a report of the Revenue Outturn of the Young People portfolio for 2020-21.

2. Information and Analysis

2.1. Outturn Summary

The net controllable budget for the Young People portfolio is £129.322m including additional allocations of £7.223m to fund the impacts of Covid-19.

After the use of additional Covid-19 funding, the Revenue Outturn Statement for 2020-21 shows that there is a year-end overspend of £3.592m.

Reserves of £0.204m which have no further commitments against them have been released during 2020-21 to offset this overspend. After the application of these reserves the revenue outturn is an overspend of £3.388m.

The outturn position includes the following significant items of income which may not continue at the same level in future years.

£1.390 million – Dedicated Schools Grant income transferred to contribute to costs incurred within Children's Services supporting Early Help services and children with additional needs.

The significant areas which make up the outturn are shown in the table below:

| | Controllable Budget £m | Actual Expenditure £m | Over/(Under) Spend £m |
|--|------------------------|-----------------------|-----------------------|
| Placements for Children in Care/unable to remain at home | 40.884 | 48.759 | 7.875 |
| Support for Children with Disabilities | 5.106 | 5.084 | (0.022) |
| Children's Safeguarding services | 34.371 | 34.357 | (0.014) |
| Early Help & Preventative Services | 7.264 | 4.928 | (2.336) |
| Home to School Transport | 15.651 | 17.358 | 1.707 |
| Education support services | 7.589 | 6.934 | (0.655) |
| Business Services support, Management, Finance, ICT and other support services | 12.950 | 12.843 | (0.107) |
| Pensions payable to former teachers and other staff | 4.538 | 4.859 | 0.321 |
| Redundancy | 0.107 | 0.107 | - |
| Other grant income | (4.023) | (4.011) | 0.012 |
| Unallocated budget | 3.551 | 0.362 | (3.189) |
| Specific CV-19 costs | 1.334 | 1.334 | - |
| Total | 129.322 | 132.914 | 3.592 |
| Release of reserves – no further commitments | 0.204 | 0.000 | (0.204) |
| Total after use of reserves | 129.526 | 132.914 | 3.388 |

2.2. Key Variances

2.2.1. Placements for Children in Care/Unable to remain at home, overspend £7.875m.

The overspend is due to a greater number of placements required than can be met from the current allocated budget. Placement numbers have continued to rise steadily during the year in line with increases in the number of children in care. The needs of individual children and the availability of placements has also meant that there are an increased number of children placed in both more expensive fostering arrangements and more expensive residential provision. Although

placements can rarely be identified as specifically due to the pandemic, Derbyshire has seen an increase in placements coinciding with the return of the wider population of children to school, a trend that is in common with many other councils across England.

2.2.2. Children's Safeguarding services, underspend £0.014m

An overspend of £0.465m on court fees, solicitors and specialist witnesses has been offset by lower expenditure on preventative support provided to families in need.

2.2.3. Early Help and Preventative services, underspend £2.336m

Additional contributions of £1.500m were provided from the Public Health grant in support of the work undertaken by and within Children's Centres. Following the introduction of the new Early Help service in 2019-20, there were a number of vacancies still at the start of 2020-21 which is the main reason for the remainder of the underspend. Vacancy levels have now returned to levels consistent with normal staff turnover.

2.2.4. Home to School Transport, overspend £1.707m

The overspend is principally on transport for children with special educational needs (SEN) due to both an increase in the number of journeys that are being provided and in the average cost of such journeys. The increase in cost is due to both economic factors affecting contractors and an increased need for more specialised vehicles to transport individual children.

2.2.5. Education Support services, underspend £0.655m

There are several areas that are underspent. Although provision of Adult Education was affected by the pandemic during 2020-21 leading to a reduction of both grant income and sales income, the fall in income was more than offset by a reduction in expenditure associated with course delivery and the service had a net underspend of £0.175m. Assessment of Education Health and Care plans was also underspent due to vacancies during the year, staff have been recruited during the year producing an underspend of £0.201m.

2.2.6. Pensions payable to former teachers and other staff, overspend £0.321m

These costs represent pension obligations payable to teachers and other staff previously employed by the Authority. The majority of the

cost relates to staff who left under efficiency programmes during the early 1990s.

2.2.7. Unallocated budget, underspend £3.189m

This underspend comprises in-year grant funding of which the largest item is the allocation from the Dedicated Schools Grant of £1.390m. At the time of writing, no announcements had been made about the continuation of these funding streams beyond 31 March 2021 so these are being used to mitigate against current levels of spend.

Covid Funding

The above figures include all additional costs incurred due to Covid-19 and the funding provided to cover those costs. The table below provides a summary of identified Covid-19 costs and their funding sources.

| Description | Additional Costs £m | Savings Slippage £m | Loss of Income £m | Offsetting Income £m | Total Funded by Corporate Covid Grant £m |
|--|------------------------|---------------------------|-------------------------|----------------------------|---|
| Placements for Children in Care/Unable to remain at home | 2.274 | 0.450 | - | - | 2.724 |
| Support for Children with Disabilities | - | 0.300 | - | - | 0.300 |
| Early Help & Preventative Services | - | 0.096 | 0.036 | - | 0.132 |
| Home to School Transport | - | 0.160 | - | - | 0.160 |
| Education support services | - | 0.169 | 2.369 | - | 2.538 |
| Business Services support, Management, Finance, ICT and other support services | - | 0.035 | - | - | 0.035 |

| Description | Additional Costs £m | Savings Slippage £m | Loss of Income £m | Offsetting Income £m | Total Funded by Corporate Covid Grant £m |
|--|------------------------|------------------------|----------------------|-------------------------|---|
| Specific Covid 19 costs – Home to School Transport | 0.866 | - | - | (0.866) | - |
| Specific Covid 19 costs – other | 0.468 | - | - | - | 0.468 |
| Total | 3.608 | 1.210 | 2.405 | (0.866) | 6.357 |

2.3. Budget Savings

Budget reductions totalling £2.350m were allocated for the year.

The value of the savings initiatives which have been identified for implementation in the current year is £3.013m.

It is calculated that £1.215m of savings have been achieved by the year-end. The table below shows performance against the target.

| Identified Savings Initiatives | Budget Reduction Amount £m | Achieved by the end of 2020-21 £m | (Shortfall)/ Additional Savings Achieved £m |
|--|-------------------------------|--------------------------------------|--|
| Care Leavers Employment project | 0.162 | 0.162 | 0.000 |
| Donut Centre | 0.081 | 0.081 | 0.000 |
| Early Help | 0.167 | 0.167 | 0.000 |
| Outdoor Education ¹ | 0.130 | 0.000 | -0.130 |
| Education Psychology ¹ | 0.039 | 0.000 | -0.039 |
| PAUSE contract ² | 0.143 | 0.143 | 0.000 |
| Local Children's Safeguarding Board | 0.025 | 0.004 | -0.021 |
| Remote & Mobile working | 0.235 | 0.235 | 0.000 |
| Home to School Transport (3 initiatives) | 0.160 | 0.000 | -0.160 |
| Information & ICT ¹ | 0.035 | 0.000 | -0.035 |
| Pensions | 0.236 | 0.236 | 0.000 |
| Disability – Step Down ³ | 0.300 | 0.000 | -0.300 |

| Identified Savings Initiatives | Budget Reduction Amount £m | Achieved by the end of 2020-21 £m | (Shortfall)/ Additional Savings Achieved £m |
|--|---------------------------------------|--|--|
| Accommodation of Children in care | 0.450 | 0.000 | -0.450 |
| Finance | 0.037 | 0.037 | 0.000 |
| Business Services Support | 0.150 | 0.150 | 0.000 |
| Total of Identified Savings Initiatives | 2.350 | 1.215 | -1.135 |
| Shortfall/(Surplus) of Identified Savings | 0.829 | | |
| Budget Savings Target | 3.179 | | |
| Prior year B/f | 0.829 | | |
| Current Year | 2.350 | | |

Notes

- 1 Originally intended to be achieved by generating additional income from sales to schools and academies, plans affected by Covid-19.
- 2 The PAUSE contract will avoid future costs.
- 3 Tender deadline coincided with restrictions to prevent spread of Covid-19 and no responses achieved. New start date 1 April 2021.

2.4 Growth Items and One-off Funding

The portfolio received the following additional budget allocations in 2020-21:

2.4.1 Social Worker recruitment - £1.300m ongoing, £1.300m one-off

This growth is part of a total allocation of £5.200m which is being added to Children's Services budgets over 4 years. The investment is being deployed to increase the number of social workers to ensure that caseloads for individual workers are at manageable levels for their experience.

2.4.2 Placement demand pressures - £11.000m ongoing

This allocation recognised the increase in costs experienced within children's social care as a result of both an increase in the quantity of placements required and the increased cost due to an increase in the complexity of the needs of children and young people. Costs have continued to increase during 2020-21 and there is concern over the wellbeing of children who have been less visible to school professionals during the lockdowns of 2020-21.

2.4.3 Home to School Transport SEN - £1.000m ongoing, £0.971m one-off
The allocation recognised both the increased pressures of greater numbers of children and young people with SEN and an increased cost of journeys and an additional pressure of transporting children and young people to pupil resource units or alternative provision when they have been permanently or temporarily excluded from mainstream schools.

2.4.4 SEND assessment and planning - £0.600m ongoing
The increase was allocated to cover the staffing to assess and plan provision for children and young people with SEN. This funding has not been fully spent in 2020-21 due to delays in recruitment.

2.4.5 Increase in Special Guardianship placements - £0.336m ongoing
This increase has ensured that the budget is in line with the current level of costs payable to family members and others who have taken parental responsibility for children under a special guardianship order.

2.4.6 Foster Carers - £0.100m ongoing
The allocation covered the cost of the inflation increase applied to foster care allowances from April 2020.

2.4.7 Care Leavers - £0.498m one-off
Legislation has been enacted which places additional statutory duties on the Authority for care leavers. There is a shortfall between the additional funding currently being received from central government and the costs being incurred by the Authority in meeting these additional duties.

2.4.8 Child Protection - £0.500m ongoing
The allocation is towards the costs of staff that are currently required to respond to the increased number of children on child protection plans.

2.4.9 Children in Care Legal Proceedings - £1.100m one-off
This allocation is for the expenditure associated with court proceedings which have increased due to not only increased numbers of proceedings but also an increased use of external legal firms to present cases which has increased average costs per case. This allocation was fully spent during 2020-21.

2.4.10 Support to Achieving Great Futures - £0.108m one-off

To fund staff seconded to the project to review the pathways for people with disabilities and the services provided to them by the Authority. This funding was not spent in 2020-21 as the associated staffing costs are being met by the Adult Care portfolio following deployment of staff to the wider Better Lives programme. This funding is offsetting other overspending budgets in the portfolio.

2.4.11 Preventative Support to Families - £1.000m one-off

Expenditure supporting the children and families that the department works with has been increasing as the number of referrals and children identified as in need increases.

2.4.12 Elective Home Education - £0.207m one-off

The number of children who are educated at home by choice has been increasing leading to an increased need for staff to visit and assess the education provision to those children.

2.4.13 Service Transformation - £0.438m one-off

To identify opportunities to improve service quality and efficiency and work with managers to bring this change about. This funding was not fully spent in 2020-21 due to delays in recruitment.

2.4.14 Quality Assurance SEND & Fostering - £0.214m one-off

To introduce new processes that will enable managers to analyse the performance of the Fostering and SEND services. This funding was not fully spent in 2020-21 due to delays in recruitment, however approval has been given to contribute any remaining funding to an earmarked reserve at the end of the year to cover the continuation of expenditure in 2021-22.

2.5 Earmarked Reserves

Earmarked reserves totalling £6.912m are currently held to support future expenditure. Details of these reserves are as follows:

| Reserve Description | Amount £m |
|--|----------------------|
| Supporting Families | 3.818 |
| Children's Services ICT Improvements | 0.657 |
| Late claims - self-insurance sickness scheme for schools | 0.653 |
| Other (below £0.5m individually) | 1.784 |

| | |
|--------------------------|-------|
| Total Earmarked Reserves | 6.912 |
|--------------------------|-------|

2.6 Debt Position

The profile of the debt raised, relating to income receivable by services within the Children's Services department, is as follows:

| 0-30 Days £m | 31-365 Days £m | 1-2 Years £m | 2-3 Years £m | 3-4 Years £m | 4-5 Years £m | Over 5 Years £m | Total £m |
|-----------------|-------------------|-----------------|-----------------|-----------------|-----------------|--------------------|-------------|
| 2.398 | 0.135 | 0.108 | 0.020 | 0.012 | 0.003 | 0.009 | 2.685 |
| 89.30% | 5.04% | 4.01% | 0.73% | 0.45% | 0.13% | 0.34% | 100% |

In the 12 months up to the end of March 2021 the value of debt that has been written off totals £0.019m.

3. Financial Considerations

As detailed in the report.

4. Other Considerations

In preparing this report the relevance of the following factors has been considered: legal, prevention of crime and disorder, equality of opportunity, environmental, health, human resources, property, social value and transport considerations.

5. Key Decision

No

6. Call-in

No

7. Background Papers

Held on file within Children's Services Department. Officer contact details – Karen Gurney, karen.gurney@derbyshire.gov.uk

8. Officer Recommendations

That the Cabinet Member notes the report.

**Jane Parfremment
Executive Director
Children's Services**

**Peter Handford
Director of Finance
& ICT**

PUBLIC

Agenda Item No. 3 (b)

Author: Karen Gurney (x38755)

DERBYSHIRE COUNTY COUNCIL

CABINET MEMBER FOR CHILDREN'S SERVICES AND SAFEGUARDING

8 June 2021

Joint Report of the Executive Director of Children's Services and the Director of Finance & ICT

DEDICATED SCHOOLS GRANT OUTTURN 2020-21 (CHILDREN'S SERVICES AND SAFEGUARDING)

1. Purpose of the Report

To provide the Cabinet Member with a report of the Revenue Budget outturn of the Dedicated Schools Grant (Young People portfolio) for 2020-21.

2. Information and Analysis

2.1. Outturn Summary

The Dedicated Schools Grant (DSG) and 6th form grant income recorded by the Authority in 2020-21 was £368.032m. This, plus the release of a reserve holding rates refunds in respect of schools of £0.721m, resulted in income of £368.753 being available to fund expenditure in 2020-21.

The Revenue Budget Outturn Statement showed full year expenditure of £370.037m. The overspend compared to income is £1.284m, however this includes an underspend of £1.370m which is ring-fenced to schools and a further £0.850m underspend of school growth funding, £0.322m of which has been earmarked to contribute to pre and post opening grants to planned new schools. The overspend falling to the Authority is therefore £2.976m.

The Authority will report a DSG deficit reserve at the end of 2020-21 of £6.187m. Other DSG committed reserves totalling £5.030m offset this deficit reserve within the Authority's accounts meaning that the aggregate reported DSG position is a net deficit reserve of £1.157m.

Following a consultation with LAs and other stakeholders, the DfE have amended the School and Early Years Finance (England) Regulations such

that a DSG deficit must be carried forward to be dealt with from future years' DSG income, unless the Secretary of State authorises the LA not to do this.

As a first step to recovering the deficit in Derbyshire, the Schools Forum agreed in January 2020 to allocate only some of the 2020-21 Pupil Growth fund within the Schools Block. The Forum agreed to leave £1.325m of the £3.428m grant for 2020-21 unallocated as a positive contribution towards the shortfall and the reported position for 2020-21 reflects this contribution.

In setting budgets for 2021-22, the Schools Block was overcommitted to maintain the National Funding Formula factors where the rise in pupil counts was not yet reflected in the calculation of funding allocated to the Authority. This shortfall was met from the Pupil Growth Fund. The only planned contribution to the deficit in 2021-22 is from the Central Schools Services Block which the Schools Forum agreed should be under-committed by £0.725m for this purpose.

The significant areas of expenditure and income for 2020-21 are shown in the table below:

| | Controllable Budget £m | Actuals £m | Over/(Under) Spend £m |
|---|------------------------|----------------|-----------------------|
| Expenditure | | | |
| Central School Services Block | 4.265 | 4.261 | (0.004) |
| Schools Growth funding incl KS1 | 3.448 | 1.273 | (2.175) |
| Re-pooled school funding | 4.489 | 3.120 | (1.370) |
| Early Years Block – Central LA expenditure | 1.338 | 1.220 | (0.118) |
| Early Years Block - Schools/PVI | 39.676 | 40.221 | 0.545 |
| High Needs Block – LA expenditure | 64.353 | 69.606 | 5.253 |
| High Needs Block – Allocated LA School budgets | 3.200 | 3.200 | 0.000 |
| Schools Block – LA mainstream Primary and Secondary schools | 247.136 | 247.136 | 0.000 |
| Total Expenditure | 367.722 | 371.260 | 3.538 |
| Dedicated Schools Grant Income | (361.745) | (361.873) | (0.148) |
| 6th Form Grant | (6.825) | (6.825) | 0.000 |
| Release of rates reserve | 0.000 | (0.721) | (0.721) |

| | Controllable Budget £m | Actuals £m | Over/(Under) Spend £m |
|--------------------------|------------------------|------------------|-----------------------|
| Total Income | (367.904) | (368.753) | (0.848) |
| (Surplus)/Deficit | 0.000 | 1.284 | 1.284 |

2.2. Key Variances

2.2.1. Schools Growth funding, underspend £2.175m

£0.725m of pupil growth funding received in 2020-21 was earmarked with the approval of School Forum for pre and post opening grants for new schools. Grants of £0.403m were made during 2020-21 and the unspent allocation of £0.322m has been transferred to an earmarked DSG reserve to contribute to future payments.

Schools Forum approved that £1.325m of growth funding could be left uncommitted for 2020-21 to be set against either in-year or accumulated overspend within the High Needs Block.

The balance of the underspend, £0.528m, is primarily due to allocations to support schools to meet KS1 pupil/teacher ratios being lower than anticipated.

2.2.2. Re-pooled school funding, underspend £1.370m

The net underspend is ring-fenced to schools and has arisen mainly because claims from primary schools for the cost of covering staff on maternity leave were lower than the re-pooled amount leading to an underspend of £0.420m. Also, the top-sliced amount collected for redundancy costs exceeded actual costs in year by £0.701m. This underspend has been transferred to an earmarked DSG reserve.

2.2.3. Early Years Block – Schools/PVI, overspend £0.545m

The final Early Years Block allocation for 2020-21 will not be determined until November 2021 (usually July) and will be calculated 75% on January 2020 planned attendance and 25% on January 2021 planned attendance at schools and settings. Although Early Years settings were open during the lockdown period between January and March 2021, attendance in January 2021 was lower and then rose throughout February and March 2021. As the Authority's expenditure is determined by the number of hours that children actually attend settings and the funding is driven by the planned attendance recorded in January 2021, there is expected to be a reclaim of grant by the DfE and this anticipated recovery has been reflected in 2020-21 outturn and is the main cause of this overspend.

2.2.4. High Needs Block, overspend £5.253m

Top-ups paid to mainstream schools in Derbyshire were greater than planned by £3.063m due to a greater number of children for whom this support was assessed as being required.

Expenditure on top-ups paid to special schools within Derbyshire exceeded plan by £1.209m, again mainly due to an increase in the number of children receiving support in their education from these establishments.

Planned spend was also exceeded by £2.417m where children were educated in schools in other local authority areas or where provision was made in independent and non-maintained special schools. This increase above planned expenditure was due both to increased numbers of children supported in this way and an increase in the average cost of provision overall.

These overspends were offset by underspends on High Needs Block central services provided by the Authority totalling £1.048m. These underspends are primarily due to lower travel expenditure and lower expenditure on supplies and services due to staff working remotely and delivering support virtually. There was also lower expenditure on specific support for individual pupils due to lower referrals into services.

2.2.5. Dedicated Schools Grant income, underspend £0.148m

The underspend is due to grant receipt in respect of Early Years 2019-20 received during 2020-21 following finalisation of grant allocations for the Early Years Block.

2.2.6. Release of Rates Reserve, underspend £0.721m

The underspend is due to release of rates refunds received in respect of schools where appeals against valuations had been lodged. School rates are funded by the DSG and it is therefore appropriate that reductions in this expenditure are allocated back to the DSG and help mitigate against the deficit position.

2.3. DSG Reserves

The table below shows the movements in the individual elements of the Dedicated Schools Reserve during 2020-21.

The Authority is now recording an overall deficit on the DSG reserve of £1.157m which represents cumulative overspend against allocated grant of £6.188m which is being offset by other earmarked DSG funds.

The Department for Education (DfE) has issued a template recovery plan and has indicated that Authorities that show either a deficit DSG

balance or a significant reduction in their DSG reserve will need to demonstrate to the DfE that an action plan is in place to address this deficit. Derbyshire is building on the work identified within the SEND review by ISOS to ensure that SEND provision is effective and efficient and continues to make representations to DfE to ensure that need is adequately funded.

| Reserve title | Balance before final DSG outturn Surplus/ (Deficit) | Increase/ (Decrease) | Balance at 31 March 2021 |
|---|--|-----------------------------|---------------------------------|
| | £m | £m | £m |
| Uncommitted DSG | (3.228) | (2.959) | (6.188) |
| Support for pupils in schools | 0.038 | - | 0.038 |
| New Schools pre and post opening grants | 2.102 | 0.322 | 2.424 |
| Schools re-pooled funds | 1.063 | 1.370 | 2.433 |
| Early Years contingency | 0.152 | (0.016) | 0.136 |
| Total | 0.127* | (1.284) | (1.157) |

*Note: The closing balance at the end of March 2020 was a surplus of £0.188m however £0.061m was drawn down during the year, mostly to cover increases to the budget allocated for schools' rates bills.

2.4. Individual School Balances

Collectively, local authority school and PRU budgets underspent in-year by a total of £11.355 million after allowing for a reduction of £0.328 million due to schools converting to academy status. The following table shows an analysis of schools' balances as at 31 March 2021 compared with the position at 31 March 2020.

| | Nurs | Prim | Sec | Spec | Total |
|------------------------------------|--------------|---------------|--------------|--------------|---------------|
| | (£ million) | (£ million) | (£ million) | (£ million) | (£ million) |
| Balance as at 31 March 2021 | 0.517 | 29.459 | 2.313 | 1.066 | 33.356 |

| | Nurs (£ million) | Prim (£ million) | Sec (£ million) | Spec (£ million) | Total (£ million) |
|---|---|---|--|---|--|
| Balance as at 31 March 2020 – schools remaining maintained | 0.383 | 20.082 | 0.858 | 0.678 | 22.000 |
| Balance as at 31 March 2020 – schools converted to academy in 2020/21 | 0.000 | 0.537 | (0.422) | 0.013 | 0.129 |
| | | | | | |
| Net Increase/(Decrease) (£ million) | 0.134 | 8.840 | 1.878 | 0.375 | 11.227 |
| | | | | | |
| March 2021 surplus balances (£ million) | 0.517 | 29.760 | 2.949 | 1.090 | 34.316 |
| March 2020 surplus balances (£ million) | 0.383 | 20.619 | 0.436 | 0.691 | 22.129 |
| | | | | | |
| March 2021 deficit balances (£ million) | 0.000 | 0.300 | 0.636 | 0.024 | 0.960 |
| March 2020 deficit balances (£ million) | 0.000 | 0.737 | 1.097 | 0.049 | 1.883 |

In addition to the £33.356 million held by schools, £1.569 million was held in the Schools' Capital Reserve account. This reserve holds earmarked funds for future capital developments at individual schools in order to minimise the distorting effect of holding these funds within their own school balances.

The significant increase in overall school balances is driven by lower spending in schools during the year due to fewer pupils in school and the cancellation of exams. In addition, schools receive additional grants from DfE for PE and catch-up for pupils and the opportunities to run activities and programmes using these funds has been constrained due to the pandemic during 2020-21.

3. Financial Considerations

As detailed in the report.

4. Other Considerations

In preparing this report the relevance of the following factors has been considered: legal, prevention of crime and disorder, equality of opportunity, environmental, health, human resources, property, social value and transport considerations.

5. Key Decision

No

6. Call-in

No

7. Background Papers

Held on file within Children's Services Department. Officer contact details – Karen Gurney, extension 38755.

8. Officer Recommendations

That the Cabinet Member notes the report.

**Jane Parfremment
Executive Director
Children's Services**

**Peter Handford
Director of Finance
& ICT**

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