

Schools Forum

Monday 28 September 2020 at 2.30pm
Virtual online meeting via MS Teams

Present: D Irish (Chair)
N Toplass (Vice Chair)
P Shone, L Howard G Linford, K Morgan, D Barton, J Bailey, C Walsh, M Arnull,

Officers: C Ward, R Kerr, J Gill, A Timmins, S Lilley,

Also present: D Maher

33/20 Apologies:

Apologies were received from L Gilliam and J Smallman

34/20 Declarations of Interest

There were no declarations of interest.

35/20 Minutes

The minutes of the meeting held on 13 July 2020 were agreed as a correct record subject to the following amendment :-

- Minute No 26/20, page 3 paragraph 4 “No schools had converted to academy status during 2019/2020” should read No schools had converted to academy status during the financial year 2019/20”.

36/20 Pupil Referral Unit Balances 2019/20

Schools Forum received an update in respect of the outturn for 2019/20 for the Pupil Referral Units under the responsibility of the authority.

The authority had the following Pupil Referral Units (PRU):-



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- Sandwell Community Schools – 4 behavioural units in Tividale, Smethwick, West Bromwich and Wednesbury. There was also a specialist unit in Tipton which offered support to key stage 3 and 4 students unable to access their education from the campuses.
- Albright Education Centre (Whiteheath). The centre was Sandwell's Home and Hospital Service.
- Primrose PRU for primary aged pupils.

The following table sets out the opening and closing balances for each of the PRU's for 2019/20:

PRU	Opening Balance 2019/20	In – Year Movement 2019/20	Closing Balance 2019/20
	£	£	£
Primrose (Primary)	0	-59,669	59,669
Sandwell Community School (Secondary)	415,591	604,803	-189,212
Albright Education Centre	270,313	33,287	303,601

The authority was working closely with SCS to review its outturn position and to ensure it returned to surplus balance as soon as possible.

Concerns were raised by the Executive Headteacher of Sandwell Community Schools as there had been communications via their financial support provider that informed the school that they had a surplus, however the Local Authority informed them that the balances were actually in deficit.

The Local Authority was going to work together with the School and SIPs to resolve the deficit and any process which had led to this situation.

Further investigations would continue to be made into the situation and reported back at the next meeting of Schools Forum.

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Agree that Schools Forum noted the content of the report.

37/20 De-delegated, centrally retained impact and balances report

Schools Forum received a report in respect of actual expenditure incurred for the Central Schools Services Block, centrally retained and the de delegated budgets in 2019/20 together with the impact reports.

Underspends in respect of union facilities time was attributed to claims not submitted on time due mainly to the current situation with Covid-19. It was requested that the funds be carried forward to enable them to offset late invoice submissions.

In respect of Schools in financial difficulties balances, these funds could also be used to cover deficits left by schools that had converted to academy status. There were some schools that converted at the end of 2019/20 with deficits, however the accounts were not yet finalised, and a report would be brought back to the Schools Forum outlining balances.

It was proposed that the underspend in respect of Pupil Number Growth fund be used to reduce the Pupil Number Growth budget proposal for 2021/22.

A vote was taken and the following agreed.

Agreed that:-

- 1. The union facilities underspend of £81,000 be carried forward and used to offset the late submission of claims/contributions caused by the disruption encountered due to the Covid-19 pandemic.**
- 2. The schools in financial difficulties underspend of £125,000 be carried forward to use in 2020/21.**
- 3. The pupil number growth underspend of £378,000 be used to reduce the Pupil number growth budget proposal for 2021/22.**

38/20 Financial Transparency Consultation – Government response

Schools Forum received an update on the government response to its consultation on Financial transparency of local authority maintained schools and academy trusts.

There had been 255 responses to the consultation most were from mainstream schools, academies and Local Authorities.

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Further to the consultation, the Department for Education would implement the following proposals:

1. publish names of Local Authorities on gov.uk if they failed to comply with deadlines for returns to the Department.
2.
 - a) collect the number of schools with suspended budgets and notices of financial concern through the existing DSG assurance statement signed by the Local Authority Chief Finance Officer at the end of the financial year.
 - b) add a new section to the DSG assurance statement that captured the amounts that Locals Authorities had recovered from investigating fraud.
3. Make a directed revision to Local Authorities schemes for financing schools to make it a requirement for maintained schools to provide Local Authorities with three-year budget forecasts.
4. a) make schools append a list of Related Party Transactions(RPTs) to their response to the question in Schools Financial Value Standard about their arrangements for managing RPTs. In addition, they would insert additional columns into the CFO Assurance Statement, so that the number of RPTs and value for each could be disclosed.
5. The Department for Education would not be implementing proposals 5 due to the issues raised by a number of respondents. They would continue to work with Local Authorities to identify how audits can best be made both regular and targeted in the most effective way.
6.
 - a) make a directed revision to LAs' schemes for financing schools, requiring schools to submit a recovery plan to their maintaining authority when their deficit rises above 5%.
 - b) collect information on the number of recovery plans in each LA through the DSG annual assurance return from the Chief Finance Officer.
 - c) formalise the approach to working with LAs and include a request for high level action plans from some LAs.

This would be achieved by;-

- Sharing published data on school balances in each Local Authority.
- Using this data and evidence-based requests from Local Authority's to ensure support was focused where it was needed.
- Requesting high level action plans from Local Authorities in which the number or proportion of school revenue deficits over 5% was above a certain level.

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7. All Local Authority maintained schools would be required to publish annually on their websites the number of individuals (if any) earning over £100K in £10K bandings.
8. The Department for Education would implement proposal 8. However, considering the feedback from a number of respondents, they would require LA maintained schools to publish a link to the schools financial benchmarking website, where the Consistent Financial Reporting (CFR) statement of income, expenditure and balances was already published, instead of requiring them to publish the CFR statement annually on their own website.

The Department for Education wanted to ensure that the benefits of any new measures introduced would outweigh potential burdens on LA's and schools and that any new burdens were not more onerous than those placed upon academies.

The Department for Education had stated that they would compensate LAs for the additional burden that these changes would impose. For 2021-22 this would be achieved through a direct grant to each LA, in proportion to the number of maintained schools they had. The Department for Education would work with Local government to finalise the allocation.

Agreed that Schools Forum note the content of the report.

39/20 Scheme for financing Local Authority schools (Fair Funding Scheme) update.

Schools Forum was updated on the scheme for financing local authority-maintained schools.

On 9 March 2020 the authority brought several proposed changes to the scheme, initially requesting responses from schools by the end of April 2020, however due to the Covid-19 pandemic this had been extended to 16 September 2020.

The authority had not received any responses from schools the changes detailed in the report presented at the meeting on 9 March 2020 would be incorporated in the Fair funding scheme.

The changes in this issue of the scheme included that the LA schemes contain a requirement for schools to submit a three-year budget forecast each year, and the directive for schools which had a deficit of over 5% to submit a recovery plan.

Sandwell already had the requirement for a three-year budget forecast in place and wanted to maintain the requirement for schools to submit a

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deficit recovery plan if they were unable to submit a balanced budget for the forthcoming financial year.

The authority therefore did not intend to amend the requirement from that currently stated in the Sandwell scheme. There were some minor changes which would need to be reflected in the Sandwell Scheme.

The changes relating to financing and operating leases (IFRS16) that were due to come into effect on 1 April 2020 had been delayed until 1 April 2021, due to the COVID-19 pandemic.

P Shone suggested that the local authority may consider issuing schools with financial assumptions to ensure meaningful forecast projections were made.

M Arnull suggested that because the local authority and schools had undertaken a lengthy process of re working the primary secondary schools ratio it could show the direction of travel for next few years by issuing 2 or 3-year funding's to ensure that schools would not encounter any financial difficulties as the ratio continued to move towards the NFF ratio. It was agreed that this could be taken forward.

Agreed that Schools Forum note the content of the report.

40/20

School Resource Management Advisor – Covid 19 Support

Schools Forum was advised that the Department for Education had approached the authority and offered to support the sector through the challenging period by offering School Resource Management Advisers to support schools with financial or resourcing challenges arising from Covid-19. These optional resilience visits could be adapted to the needs of school setting and would focus on the schools who feel they required support or on who the authority felt would most benefit from this intervention.

Any school interested in accessing this support should approach the School Strategic Finance Unit in the first instance and the Strategic Finance Unit would approach LA maintained schools who may benefit.

Agreed that Schools Forum note the content of the report.

41/20

Covid Catch up premium

Schools forum was informed that the government had announced £1billion of funding to support children and young people to catch up.

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- £350million – National Tutoring Programme to provide additional support for those pupils who need the most help.
- £650million – Universal catch up premium, to help all pupils make up for lost teaching programme.

The National Tutoring programme has 3 parts for the academic year 2020/21:-

1. A 5 to 16 Programme to make additional tuition available from the second half of the autumn term 2020.
2. A 16 to 19 fund for schools', sixths forms, colleges and all other 16 to 19 providers to provide small group tutoring for disadvantaged students. Further guidance was expected to be issued shortly.
3. A reception year early language programme (Early Years catch-up programme), focused on raising outcomes in speaking and language skills among young pupils whose education has been disrupted by coronavirus.

The Department for Education had stated that every state funded school with a reception class would be invited to apply for support, with priority being given to those with a high proportion of disadvantaged pupils.

Up to £9million would be available to provide training and resources to deliver one-to-one and small group support for five-year olds.

Schools needed to register their interest by 30 October 2020.

The Universal catch-up premium funding would be available for all state-funded mainstream and special schools, and alternative provision and would cover:-

- primary, secondary and all through local authority-maintained schools, academies and free schools;
- local authority-maintained special schools;
- special academies and free schools;
- special schools not maintained by a local authority;
- pupil referral units;
- alternative provision (AP) academies and free schools;
- local authority-maintained hospital schools and academies;
- independent special schools;

Funding would be provided to local authorities for pupils with Education, Health and Care plans educated in independent special schools based on number in their area.

The funding would be provided in three tranches, with an initial part payment in autumn 2020, based on the latest data on pupils in mainstream

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schools and high needs place numbers in special, Alternative Provision, hospital schools and special schools not maintained by local authority.

The second payment was expected before Christmas and each school would be notified on the exact sum to be received.

Agreed that Schools Forum note the content of the report.

42/20

Schools funding 2021/22 – National funding formula

Schools Forum received an overview on the Schools Revenue Funding – Operational guidance and The National funding formulas for schools and high needs 2021/22 policy document which allowed the planning of the local schools funding formula for that year.

The Key changes to the schools National funding formula in 2021/22 were:

- The incorporation of the 2019 update to the Income Deprivation Affecting Children Index (IDACI), this was to ensure that the deprivation funding through the NFF continues to target schools most likely to need additional funding.
- Funding previously received through the Teachers' Pay Grant (TPG) and Teachers' Pension Employer Contribution Grants (TPECG), including the supplementary fund, to mainstream schools for pupils from reception to year 11 would be allocated through the schools NFF by adding to schools' baselines; by increasing the basic per pupil funding; and by increasing the minimum per pupil funding (MPPLs). This was to streamline the way in which the funding through the grants was delivered, as well as recognise the fact that these grants were part of schools' core funding. The Department for Education had added an amount to reflect the current grant funding (£180 per pupil for primary schools and £265 per pupil for secondary schools) onto the age-weighted pupil unit (AWPU) f
- Improving support under the National Funding Formula for small and remote schools, by increasing the maximum sparsity value from £26,000 to £45,000 for primary schools, and from £67,600 to £70,000 for secondary schools. This change was not relevant to Sandwell schools.

The Department for Education had stated that each local authority would continue to set a local schools funding formula, in consultation with local schools.

The Department for Education would be putting forward plans to move to a "hard" National Funding Formula in the future, which would determine school funding allocations directly, rather than local funding formula. They

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had stated that they would work with local authorities and stakeholders to make the transition, further information on the process would follow.

DSG management plans would need to be discussed with schools forum and it should set out the local authority's plans for bringing the DSG spend back into balance.

In respect to the Central School Services Block the Department for Education had increased the total funding for ongoing responsibilities by 3.8% and reduced historic commitments funding by 20%.

In regard to High Needs Funding the national increase in funding from 2020/21 to 2021/22 would be £730million.

Agreed that Schools Forum note the content of the report based on the Schools revenue funding 2021/22 – operational guide and the National Funding Formulas for schools and high needs Policy document 2021/22

43/20 **Special Educational Needs and High Needs Block – Period 5 Monitoring report.**

Schools Forum received a report in respect to the High Needs Block monitoring position at 31 August 2020, projected to 31 March 2020.

The HNB current grant for 2020/21 stood at £48.583million.

The table below shows budget for 2020/21, the anticipated outturn as at 31 March 2021 and variance from budget

Budget Heading	Budget 2020/21 £000	Anticipated Outturn 31/3/21 £000	Variance from Budget £000
1) Out of Borough Placements	4,929	5,575	646
2) Pupil Top Up and Place Funding	29,433	29,433	0
3) Post 16 Colleges	2,323	2,323	0
4) Hospital PRU	1,073	1,173	100
5) SEN Support Services	1,412	1,301	(111)
6) Support for Inclusion	4,574	4,039	(535)
7) Alternative Provision	1,911	1,941	30

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8) SEN Developments	1,099	502	(597)
8) Other SEN Funding	1,677	1,697	20
10) Exclusions & Reintegration	152	116	(36)
TOTAL	48,583	48,100	(483)

Out of Borough Placements was the biggest overspend due to lack of provision in the borough.

There had been 25 new placements made following preparation of the budget whereas an allowance of 10 additional placement had been included in the original budget.

Alternative provision appeared that it would be under budget, panel had made an impact, increased numbers were going through Alternative Provision. Period 6 report would be brought back to the next meeting with more information.

Agreed that Schools Forum note the content of the report in relation to the 2020/21 HNB Grant budget monitoring for the period 1 April to 31 August 2020.

The Next Meeting of Schools Forum 9 November 2020 @ 2.30pm

Meeting ended at 3.57pm

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