

# Schools Forum

**Monday 9 November 2020 at 2.30pm**  
**Virtual online meeting via MS Teams**

**Present:** N Toplass (Vice Chair) in the Chair  
M Arnull, J Bailey, S Baker, J Barry, L Bray, P Jones, W Lawrence, G Linford, K Morgan, B Patel, P Shone, J Smallman, J Topham.

**Officers:** C Ward, R Kerr, A Timmins, S Lilley, M Tallant

**Also present:** D Maher

**44/20 Apologies:** 

Apologies were received from D Irish, D Barton, S Ramsay.

**45/20 Declarations of Interest**

There were no declarations of interest.

**46/20 Minutes**

**Agreed** that the minutes of the meeting held on 28 September 2020 were a correct record

**47/20 Matters Arising from the Minutes of the Meeting Held on 28 September 2020**

- In respect of minute no. 36/20 – Pupil referral unit Balances 2019/20, members received an update from the Local Authority's Finance Business Partner, Steve Lilley. The school had appointed an experienced and independent finance officer who after carrying out a review had confirmed that the information provided by the finance service supplier was not accurate and that the school was in



## Schools Forum – 9 November 2020

deficit. Steve Lilley had attended the Schools Finance and Staffing pay Committee that had supported and approved a number of mitigations. In addition, the school had taken a range of actions to manage the deficit. The Local Authority would continue to work with the school and provide support required in the future. It was confirmed that the deficit sum referred to in the minutes was an accurate figure.

- In respect of minute no. 43/20 – Special Educational Needs and High Needs Block monitoring report, the Vice Chair, Schools Forum had requested a report outlining the placement splits, this had been supplied and it was asked that this be forwarded to all Schools Forum Members for information.
- P Shone, enquired about the SMRA report which had been completed and submitted to the DfE. The DfE had sought the comments of the Local Authority which would be undertaken within the next few days and then the report could be released to schools.

**Agreed** that the placement report be circulated to Schools Forum members (Moira Tallents/Shane Parkes)

### **48/20 Membership update**

Schools Forum received an update on the current membership. It was noted that a Governor representative had not yet been nominated. B Patel advised that he had raise the matter at the ASGB and would chase up at the next meeting.

Schools Forum was advised that the membership would be reviewed to ensure that it complied with the criteria set out in the Schools Forum constitution and would report back to the Schools Forum at the next meeting.

#### **Agreed**

1. that a nomination for a school governor representative would be pursued at the next meeting of the Governors partnership;
2. that the membership review be presented at the next meeting of Schools Forum.

Schools Forum received a report in respect to the Schools Revenue Funding 2021/22 Consultation and approval was sought for the document to be issued to schools and academies and other interested stakeholders.

Links to School Improvement Priorities:

Sandwell had an ambition to ensure that all schools and academies in the borough be rated as Good or Better by Ofsted however it was recognised that there were significant financial challenges in the education sector despite recent funding announcements, proposed schools funding arrangements would not fully offset the effects over the last 10 years when schools budgets had not risen in line with inflation.

The government announced that funding for schools and high needs would increase by £2.6 billion for 2020/21, £4.8 billion for 2021/22, and £7.1 billion for 2022/23, compared to 2019/20 funding.

In September the government has published provisional schools and high need funding allocations for 2021/22, which was the second year of the three-year funding increase.

The Dedicated Schools Grant consisted of 4 blocks; schools, high needs, early years and the new central schools services block. Each of the blocks of the (DSG) had been determined by a separate national funding formula (NFF).

The DfE confirmed that in light of the need to focus efforts on meeting the challenges of COVID-19 that they would not be changing local authorities flexibility over the distribution of school funding in 2021/22.

The government would shortly put forward proposals to move to a 'hard' NFF in future, which would determine schools' budgets directly.

The Schools Block NFF in 2021/22 had been updated with new factor values and there had been two technical changes.

The additional monies for schools had resulted in an increase to the key factor values in the NFF by 3.0%; and the following adjustments had also been made:

- The teachers' pay grant (TPG) and the teachers' pension employer contribution grant (TPECG) including the supplementary fund had been added to schools' NFF allocations for 2021/22. It had been added to the basic per pupil entitlement, to the minimum per pupil funding levels and to schools' baseline so that it was protected through the funding floor. In an effort to reflect the current grant funding the government had added £180 per pupil for primary

## Schools Forum – 9 November 2020

school and £265 per pupil for secondary schools onto the basic entitlement.

- The 2019 update to the Income Deprivation Affecting Children Index (IDACI) has been incorporated so that the deprivation funding allocated through the formula was based on the latest data.
- The minimum per-pupil levels would be set at £4,180 for primary schools and £5,215 for KS3 and £5,715 for KS4. This meant a standard secondary school with 5 year groups receive at least £5,415 per pupil. (These rates were a reflection of the TPG and TPECG being rolling into the NFF).
- The funding floor was set at 2.0%, which was broadly in line with the current inflation.
- The Schools Block NFF would benefit from an increase of 4% to the formula's core factors. Exceptions to this were that the free school meals factor, which would be increased at inflation and premises funding would continue to be allocated at local authority level on the basis of actual spend in the 2019 to 2020 APT, with an RPIX increase for the PFI factor only.
- Growth funding would be based on the same methodology as in previous years and had the same transitional protection. There would be no capping or scaling of gains from the growth factor. All modelling excludes the growth factor funding.

The DfE had also made some other changes to local formulae as follows:

- The Local authorities would continue to set a Minimum Funding Guarantee in local formulae, which in 2021-22 must be between +0.5% and +2.0% per pupil.
- The changes to the NFF to roll in teachers' pay and pension grants and to incorporate the 2019 IDACI would also be reflected in local funding formulae. The government had stated that they do not expect the incorporation of these changes alone required consultation with schools.
- Following the cancellation of assessments in summer 2020 due to COVID-19, local authorities would not be able to use this data as part of setting a low prior attainment factor in local funding formulae. Instead authorities would use 2019 assessment data as a proxy for the 2020 reception and year 6 cohort, which would be reflected in the data received from the DfE.
- Local authorities would continue to be able to transfer up to 0.5% of their school's block to other blocks of the DSG, with schools forum approval. In 2021/22 the total schools block available for such

## Schools Forum – 9 November 2020

transfers had to exclude the additional funding that had been allocated for TPG and TPECG to guarantee that all of this funding remained with schools. If the authority were to consider such a transfer it would equate to £1.392m. A disapplication was required for transfers above 0.5%, or for any amount without school forum approval.

- The authority would not be requesting a movement of funding from the Schools block to another DSG funding block, as its recognised the significant budget pressures schools had been facing in recent years and it did not anticipate a budget pressure on the High Needs block for 2021/22 given the increases in funding from the Government.

### **Central School Services Block**

The central schools services block provided funding for local authorities to carry out central functions on behalf of maintained schools and academies.

- for ongoing responsibilities;
- a cash sum for historic commitments.

The DfE undertook an exercise a few years ago at a national level to re-baselines historic commitments. This included:

- Schools Forum – classified as an ongoing responsibility.
- Admissions Service – classified as an ongoing responsibility.
- Pensions Administration – was classified as an historic Commitment.

The DfE had cut historic commitment funding by 20% to £0.182m with the expectation that funding would continue to reduce and ultimately end over time; and therefore, any commitment would also reduce and end over time.

### **Consultation Proposals**

The government had stated that “The new banding methodology would ensure that the proportion of pupils attracting funding through each band will remain broadly unchanged from 2020-21. Where there had been small changes in the proportions, we had increased the factor values of some bands by more than 3.0% in the schools NFF to ensure that the average funding, per eligible pupil, allocated through IDACI increases by 3.0%.”

The changes in data showed that using the same pupil numbers and pupil characteristics and the same IDACI band rates as used for 2020/21 that funding for Sandwell schools even though there were more pupils that could attract funding (1,708 more pupils fall in bands A – F with the 2019 update) the total funding overall would reduce by £0.913m.

As a result of the above data, the authority has made every effort to stabilise the funding through this factor by increasing the factor values to

## Schools Forum – 9 November 2020

ensure that at least the same level of funding as 2020/21 was achieved. The percentage increases in the factor values had not been applied consistently throughout but had been completed in the context of movement of pupils between the bands.

The authority has adopted an approach broadly in line with the Government to deal with the Sandwell specific issues of the 2019 IDACI update.

At the Cabinet meeting in January 2020, cabinet advised Schools Forum that although the funding ratio between Primary and Secondary schools remained unchanged for the financial year 2019/2020 this was with the expectation that a ratio change would be implemented towards the NFF values from April 2020.

The consultation on the formula funding for schools for 2021/22 provided detail on the IDACI update and included proposals on the following:

That the formula to use for allocating schools budgets:

- Option 1 Stepped change in the ratio – LA Formula (change in AWPU/MFG) with a ratio of 1:1.25 in year one, 1;1.27 in year two and 1;129 in year three. This would be the second year of the stepped change.
- Option 2 – Secondary Schools received 1% more above the overall increase in funding.
- Option 3 – National Funding Formula Factor Values
  - **Pupil Number Growth Contingency Fund**; a fund of £1.091m was being proposed.
  - **De-delegation proposals**; there were 5 de-delegated proposals to be considered by maintained schools. The trade union bodies for; the National Association of Head Teachers (NAHT); the National Education Union (NEU) and the Association of school and college leaders (ASCL) has written to the authority requesting their letter was passed onto the Schools Forum so that they can consider voting for both Primary and secondary phases for trade union facilities time.
  - **Education Functions**; there were 3 Education function proposals to be considered by maintained schools.
  - **Minimum funding guarantee and capping of gains**; this would ensure the costs of providing the minimum funding guarantee protection were covered.

## Schools Forum – 9 November 2020

- **Central Schools Services Block**; there were 4 proposals to be considered by all schools, maintained schools and academies.

This consultation was applicable for one year only (2021/22).

The deadline for stakeholders to respond to the consultation was **noon on Wednesday 2nd December 2020**.

A vote on the recommendation that the document be issued to schools and academies and other interested stakeholder was held – 8 votes For the recommendation and 1 vote against.

**Agreed** that the Schools Revenue Funding 2021/22 Consultation document be issued to schools, academies and other interested stakeholders.

### **50/20 SEN and High Needs Block – Period 6 Monitoring report.**

**Agreed** that the SEN and High Needs Block – period 6 report be deferred to a future meeting of the Schools Forum.

**The Next Meeting of Schools Forum 14 December 2020 @ 2.30pm**

**Meeting ended at 4.15 pm**

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