

**FINANCE WORK GROUP
REPORT TO FORUM
FOR PRESENTATION
AT FORUM ON 12 November 2019**



Date of Work Group meeting: Tuesday, 5th November 2019

- **Review DSG Financial Monitoring Statements** IM tabled the General DSG Grant for 2019-20 and the 2019-20 High Needs Block. There had little movement since the last statement in September and most budgets are within the parameters set. On high needs out of borough placements continue to rise and an additional £650,000 has been added. Items identified as needing further scrutiny were:- “Other – Special Ed” which is already £200k over budget; what exactly is Solihull Academy and its funding?; and the amount spent on out of school education.
- **DfE Funding Announcements** The DfE has now published further details of funding for 2020-21 and SF will now work on getting indicative budgets out to schools. A major change is the reduction of Historic Funding (Combined budgets by 20%) which with the inclusion of prudential borrowing could eliminate the provision of these services to all schools. This will form a major item on the next meeting of the Finance WG on 2 December.
- **The Business Case for the Movement of Funds from Schools to the HNB** This was the major item on the agenda and the reason for the meeting. Both Louise Rees and Phil Leivers were invited to attend to answer questions but both sent apologies due to the late announcement of an OFSTED Inspection in the LEA. This was very disappointing. At the meeting SF presented two papers:

Paper 1 outlined an updated version of the local authority reasoning behind the request, the issues involved; an outline of the local authority recovery plan; and the financial implications for schools and the service of such a movement of funds.

Paper 2 was a detailed summary of the consultation undertaken with schools and collaboratives.

Based on these and a series of discussions over recent months, members voted overwhelmingly (15/16) in favour of not supporting the local authority request for permission to transfer 0.5% or 1.0% of the schools block to the high needs block.

The reasoning for this is as follows:

- The consultation with schools demonstrates there is no support from any school for the proposal.
- The feedback from schools is that there is a universal lack of both trust and confidence in the local authority in regard to:
 - The lack of good Strategic management of the SEND service
 - The Management of the High Needs Budget which has been allowed over recent years to move into deficit in an unmanaged and unregulated manner
 - A lack clarity, consistency and transparency over placement decisions, particularly in private and independent out of borough schools, and the monitoring of those placements
 - The engagement the local authority has with schools when dealing with issues and problems in SEND service delivery. Members spoke that schools were often left to deal with individual problems with a minimum of help and resources; that school staff were taking on social care roles and that promises of support made were not always followed up.
 - The lack of precise details of strategies falling within the “five strands” the local authority has identified as key in its recovery plan
 - The lack of precise details of the financial aspects of the recovery plan.
 - The need for School involvement in the development and implementation of the recovery and action plans

The group recognised that the local authority was working on a recovery plan; had outlined new appointments; was consulting and needed to make a disapplication request by November 28th 2019. Moreover, the Finance group does not rule out the possibility of the local authority seeking a schools block transfer for 2021-22, but would need to see clear evidence of significant progress in the local Authority meeting the concerns of schools, and establishing that trust and confidence in delivering the improvements in the SEND service.

The next scheduled meeting is Monday, December 2nd, 2019 in Room 1, Civic Suite At 9.30am

DL5/11/19