

**FINANCE WORK GROUP  
REPORT TO FORUM  
FOR PRESENTATION  
AT FORUM ON 4 OCTOBER 2021**



**Date of Work Group meeting: Monday, 13 September 2021**

Items discussed (brief summary of key items):

**Ratification of Chair and Election of Vice Chair** – David Lewis was elected Chair and Andrew Wilkins Vice Chair for 2021-22. The Terms of Reference were approved unamended.

**Matters Arising** – Steve Fenton tabled a paper based on the DfE's response to changing the census date for Pupil Premium from January to October. Funding has been increased by £60m for 2021-22 to £2.5b nationally. Most schools will see a rise in the monies they receive. In addition, the amount of funding allocated through free school meals in the NFF (FSM6) has increased. Overall funding will rise but will be received mostly next year.

**2021-22 Financial Monitoring Statements (Ian Murray)** - IM tabled the outlined budgets for DSG and High Needs for 2021-22. The major headlines are that Schools, Central and Early Years funding have risen slightly with increased Government funds. However, the deficit on HN continues to grow, by an anticipated £2.9m to an accumulated deficit of £12m. Changes in the School figures show a movement of funds from Maintained Schools to Academies as more schools convert (RC schools) and a new line for Teachers' Pay Grant. We still do not know the exact Early Years funds but assume a similar figure to last year.

**DSG Recovery Plan** – Stuart McHale could not attend, but reported that the Plan was still in progress, with a report going to Cabinet in November, which will be available for the November Finance meeting. He asked to report that Full Cabinet had approved a further £1.3m funding for HN over the next three years.

**Independent School and College Payments (Steve Fenton)** – The figures for September 2021 were presented and discussed. The figures were indicative of changing year groups, but did not include new starters in September 2021, hence figures will increase for the next meeting.

**Debate arising from the previous three items and a number of concerns emerged:**

- Many of the recent out-of-borough placements had been with expensive independent and private schools, not in line with trying to reduce external costs (Riverside and Kimichi).
- The DSG Recovery Plan has been promised on more than one occasion and, accepting Covid delays, progress seems very slow.
- The figures on DSG only seem to get worse – when will we see some improvements? We know the reasons and time lag but we need to see some signs of progress. Budgets, staffing and expenditure seem to go up, when will the deficit start to fall?
- At school level nothing has changed.

To this end, the Finance Work Group would welcome the attendance of senior managers at the November meeting.

**DfE Funding Announcements (NFF for 2022-23) (Steve Fenton)** – SF reported that the Government had made a number of announcements on 19 July regarding DSG funding for 2022-23. Regarding 2021-22, little had altered so that budgets for next year would go ahead using the new funding figures. There were a number of technical changes regarding start dates, FSM6 and the carrying over of deficits on DSG, which will not now require Forum approval. More generally, the Government is consulting on future changes to the NFF as it heads to introduce a hard formula which, if introduced, would reduce the influence of the LA and Schools Forum regarding school budgets. The consultation is open until the end of September.

**Procurement Update (Chris Lowe)** - CL reported that the new Insurance arrangements for Solihull schools were in place. He also reported work on the school meal voucher scheme and water cooler services. He was still keen to involve schools when drawing up the Grounds Maintenance and Cleaning contracts and it was suggested he approach school bursars.