

# FINANCE WORK GROUP REPORT TO FORUM FOR CIRCULATION TO FORUM MEMBERS FEBRUARY 2022



**Date of Work Group meeting: Thursday January 27th 2022**

Items discussed (brief summary of key items):

## **Matters Arising from minutes of 25<sup>th</sup> November 2021**

- Although no moderation or testing had taken place during the Covid conditions in the last year, staff were still employed and re-assigned other duties
- The papers on SEND/HND report to Cabinet were circulated. Attention was drawn to Appendix 3 which outlined the financial position for the next 3 years.

**Early Years' Service** – Lisa Morris presented the annual report on Solihull's Early Years' Service and explained the main differences and difficulties experienced during the period of Covid. The key difference was the move to remote working, with the service supporting settings to initiate and engage with virtual working. In-person visits have now resumed and it is clear that a number of practices have slipped, taking some settings into an Ofsted category, which the newly merged service is supporting. Ofsted has confirmed that EY providers rate Good or Outstanding will not be inspected for a period of six years.

**Early Years' Inclusion Fund** – Inclusion Fund applications rose from 28 in December 2020 to 76 in December 2021, with more requests now linked to EHCPs. Improvements to the application process are being put in place in a bid to improve access and achieve the biggest impact for the right children. Improved promotion has led to more settings requesting financial support from the Equipment Fund. Solihull has been successful in its bid to access free Inclusion Training, although there will be costs associated with releasing staff to attend and the Inclusion Fund may be able to support that. The team is working with FIS to promote the value of early education, particularly for families that are not reliant on childcare.

**Solihull Family Information Service** – Rosie Ratcliffe presented the annual report, highlights included:

- When provisions initially closed at short notice, the Service responded to enquiries, particularly from key workers, who needed to find alternative childcare.
- Working through and understanding Government guidance and working with settings on this.
- Responding to parental enquiries about a range of issues - financial struggles, mental health difficulties, managing children at home - and putting them in touch with appropriate support services, foodbanks etc. This helped build relationships with a number of other services, with families and providers.
- Take-up of 2-year old places reduced for a number of reasons, including confidence in settings to keep children safe and due to families not working due to lockdowns.
- Supporting settings to put appropriate safety measures in place.
- Increased support around looked after and newly adopted children, ensuring they were able to access childcare and signposting to appropriate services.
- Working with settings to maximise budgets for 3-4 year olds following changes to funding rates and where settings were claiming EYPP for families on benefits.
- Increasing awareness of Inclusion Funding and Disability Access Funding.
- Ensuring web pages were up to date with latest guidance and information.
- Moving children into new provisions due to changed Ofsted ratings.
- Following the DfE uplift for early education funding, undertaking calculations to ensure total funding paid out did not fall between 2019 and 2020, resulting in schools and settings being out of pocket.
- Undertaking the correspondence admissions process for nursery places.
- Managing the FSM supermarket voucher scheme from December 2020 at very short notice with very few staff. The process has since been streamlined and take-up rates are now at 92%. A dedicated member of staff has now been appointed to manage the process on a temporary fixed term basis.

- Gathering attendance and closures data from schools and settings throughout the year from the start of the pandemic until Summer 2021 and reporting this to the DfE.
- Managing the promotion of the Holiday and Activity Food (HAF) programme to ensure children on FSM can access free activities and food during school holidays, responding to enquiries and encouraging families to take up the offer. This has a dedicated webpage on the Local Offer, plus communications sent through schools and direct mail-outs to families.

**2022-23 School Budgets – Pupil Growth Fund** - As anticipated in the presentation of the budget figures at Forum in December, the £350k has had to be increased to fund the in-year growth in pupil numbers anticipated for 2022-23. The new figure requested is £600k, an increase of 71%. This will be funded from the increase in DSG.

**Changes to Grant Funding for School Improvement Service** - Following a recent consultation, the Government is proposing that the Grant for School Improvement for Maintained Schools be reduced by 50% in 2022-23 and removed completely in 2023-24. The options are: that the service be withdrawn, that it is run as a traded service, or that a de delegation, voted for by School Forum, be implemented. For Solihull this would mean a £5 per pupil charge in 2022 and in 2023 a £10 charge per pupil. The LA is proposing this final option so that the service can be maintained and which is in line with Government guidance. Finance WG understood why the LEA was proposing this option, but was reluctant to recommend this, or any of the options to School Forum. It preferred to leave the decision to maintained school Forum members.

**Out-Turn Monitoring Statements** - SF tabled the General DSG Grant and High Needs Block figures for 2021-22. There had been little movement since the November statement and most budgets are within the parameters set. The transport budget supporting high needs had risen and the general High Needs Block continues to increase to an anticipated deficit of £3.7m (up from £2.9m in November) and an overall accumulated deficit of £12.8m. (note this is £3.5m more than December 2020).

**Independent School and College Payments (Out of Borough Placements)** - There was little change to the October figures, with 149 students placed out of Borough at an average cost per placement of £45,153. There are 136 post-16 placements, of which 86 are outside Solihull. The figures do reflect the work of officers to reduce costs, in that since January 2020 the overall costs have fallen by £205,920. Questions were raised as to why there were placements in private schools, requests to include transport costs and to be split into school specialism or otherwise. Figures show the extent of expenditure out of Borough and the challenges to be faced in bringing pupils back into Solihull to reduce costs, as outlined in the High Needs Recovery Plan.

**School Forum Annual Report** - An annual budget is set aside for the administration and running costs of School Forum and its work groups. The budget for 2021-22 was £91,300. This figure is based on the normal yearly costs, but due to COVID restrictions when all meetings have been virtual, only the administration costs have been met. So, in 2021-22 the figure spent up to period 8 was £17,372, giving a surplus of £73,928. Surplus funds go back into the general Education budget. It is not proposed to reduce the grant for 2022-23 which will be £93,218, as central meetings may be fully or partly restored.

**Procurement Update** – CL produced a schedule with the latest information on contracts. New contracts were being arranged for Environmental Services, Ground Maintenance and School Cleaning. Work was also progressing on building repairs and maintenance. CL explained the new PCR Thresholds and the situation regarding rising energy prices was discussed.