

## Minutes of the Finance Work Group Meeting held on Wednesday, 14 June 2017 in Room 1, Civic Suite

**Present:**

David Lewis (Chair)	TU Representative
Andrew Wilkins	Governor, Hazel Oak
Julie McCarthy	Coppice Juniors
Lynn Clark	Marston Green Juniors
Rosemary Cotton	Langley Academy
Tracey Lake	Knowle CofE Primary
Antoinette Fisher	Governor, Dorridge Primary
Jane Hutchinson	Monkspath Primary
Jane Davenport	Reynolds Cross
Steve Fenton	Business & Performance Manager, SMBC
Ian Murray	Financial Operations, SMBC
Linda Sheridan	Financial Operations, SMBC

**In attendance:**

Louise Minter	Chair of SSSAB
Darren Jakeways	Procurement, SMBC

Minutes taken by Alison McWilliam, Senior Forum Administrator

Item		Action
1	<b>Apologies for Absence</b> Apologies were received from Lynda Mackay, Chris Key, Mike Ison and Janet Marsh.	
2	<b>Minutes of Previous Meeting (27.4.17)</b> The minutes were accepted as a true and accurate record of the meeting.	
3	<b>Matters Arising (27.4.17)</b> <b>Page 2 – TU Facilities Time</b> – SF will ascertain whether TUFT is included in Solihull's new private Insurance Scheme. TUFT will be an agenda item at a future SSSAB meeting. <u>Safeguarding Training</u> – The EY training figures have now been circulated to members. Concern was raised at the lengthy waiting list for DSL training, specifically for new head teachers starting in September, where their schools will not be legally compliant until they have received the training. AMc to alert LL to this concern. Members felt that there should be a minimum of 3 trained DSLs in each school, this could also have repercussions for training waiting lists. <u>Meeting with Julian Knight MP</u> – JK's office has asked to have a telephone conversation with the Chair of Forum about school funding and DL has been nominated to talk to him. LM felt that heads would appreciate the opportunity to meet with him again. <u>Apprenticeship Levy</u> – The Levy is now into operating mode and HR will be able to support schools to access the scheme. <b>Page 3 – Breakdown of Top-ups</b> – In response to a request at the April meeting to show how the projected end-of-year surplus had been significantly reduced due to increased top-up payments, IM had prepared a breakdown of figures. The figures covered payments to Solihull schools for Solihull pupils (c.£5m) and payments to ex-borough schools for Solihull pupils pre-2016/17 (c.£36k net of accruals) and for 2016/17 (c.£1m). The figures support Solihull's strategy to develop in-borough provision. Following research by SSSAB SEND, the efficacy of out-of-borough education on outcomes has been questioned and a pilot review is being developed for special school heads to scrutinise this provision. JD cautioned that this work will have cover cost implications for special schools. All other Matters Arising are included on the agenda.	AMc/LL
4	<b>Nomination of Chair and Vice Chair for 2017/18</b> DL and AW agreed to continue as Chair and Vice Chair respectively for a further term	

	and as there were no further nominations, they were duly appointed.	
5	<p><b>Membership and Meeting Dates for 2017/18</b></p> <p>Next year's meeting dates have been set to align with the DfE's budget cycle, further copy attached to the minutes.</p> <p>There are some changes to the membership and an amended list will be circulated when finalised.</p> <p>DL took the opportunity to thank Julie McCarthy for her invaluable contributions to the group over the years.</p>	Att.
6	<p><b>Monitoring Statements – Ian Murray</b></p> <p><u>High Needs Block</u></p> <p><i>Reference 2017/18 Non-delegated High Needs Block Out-turn'</i></p> <p>Following some significant variances against the 2016/17 budget, a number of budgets have been realigned for 2017/18, namely:</p> <ul style="list-style-type: none"> <li>• The total Top-up funding budget has been increased by £735k in response to last years £750k overspend</li> <li>• Education Otherwise has been reduced by £300k to reflect accurate spend</li> <li>• Top-up funding for Post-16 has been reduced by £260k to £1.4m, more in line with the previous year's spend</li> <li>• HN Contingency funding of £400k will help us plan for increases in in-year provision</li> <li>• Solihull has converted over 50% of Statements into EHCPs, this is above the national average and felt to be 'on track'. This is the final year for this budget, following which costs will have to be absorbed.</li> </ul> <p><u>Non-delegated DSG</u></p> <p><i>Reference 'Non-delegated DSG 2017/18 Forecast'</i></p> <p>The main changes and items of note are:</p> <ul style="list-style-type: none"> <li>• EY and Childcare has increased by £6m, partly due to the increase to 30 'free' hours of childcare from September, the impact of which is currently unknown. As EY funding is lagged, this could change through the year, so some flexibility may be required. As the qualifying income criteria is set between £25k and £100k, take-up of places is expected to be high.</li> <li>• Retained Education Services Contribution is now included in the DSG</li> <li>• Maintained School Education Services Contribution is the top-slice from maintained schools for General Services. This budget will reduce as schools convert to academies.</li> <li>• £1.2m has been carried forward from 2016/17 for HN ARCs, about half of which is expected to be paid out this year for building works, the remainder will be c/fwd.</li> </ul>	
7	<p><b>Synopsis of Education Manifesto Promises – Steve Fenton</b></p> <p><i>Reference 'General Election 2017 – Manifesto Statement about Education and Skills'</i></p> <p>SF talked through the various sections, the headlines of which are:</p> <ul style="list-style-type: none"> <li>• Justine Greening continues to be Secretary of State for Education</li> <li>• In their manifestos, all parties were committed to reform of school funding and promised to give more money in some form. There was an undertaking that no school would lose money under a NFF, but it is hard to see how a consensus will emerge over the detail.</li> <li>• The IFS paper examines how any additional money would feed through and states the 7% real terms cut to school funding is widely understood. Even with £4b additional funding, with inflation and increased costs, schools are still likely to be worse off.</li> <li>• The Conservative pledge to abolish free infant school meals and replace them with free breakfasts seems to be based on a flawed study (a charitable organisation with voluntary free labour and free food).</li> <li>• Labour pledges were largely around additional funding for schools and universal free childcare.</li> <li>• The lack of a clear parliamentary majority may lead to a softening of manifesto pledges, eg. around grammar schools.</li> </ul>	

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**Collaborative Funding – Louise Minter***Reference 'Collaborative Funding'*

- The funding allocation was increased by £20k last year (to a total of £80k) in support of special initiatives. This allows SSSAB to follow through on items without additional contributions from Collaboratives.
- The £80k is not representative of the full cost of the Collaborative programme; schools absorb cover costs and work on goodwill rather than recompense.
- Synergy and Unity put in additional money based on a per pupil rate, the other Collaboratives do not, but meet costs in other ways.
- Approximately £20k allows LM to come out of school as SSSAB Chair.
- Collaborative reps sit on a whole range of boards which results in a lot of time out of school.
- If the formation of MATs starts to gather pace, it will bring into question the requirement for Collaboratives as well. Without the £80k funding, it would be difficult to continue.

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**SEN Pupil Funding Bands – Steve Fenton***Reference 'Pupil Bandings for Pupils with Special Educational Needs and Appendices'*

Following SF's verbal report to the April meeting, he confirmed that the Banding (definitions and descriptors) document had been widely consulted on by Heads, SENCos and practitioners who were supportive of its content (the intention is to refine it over time.)

Mainstream Schools

The next stage is to put in place the funding scheme (for top-up funding on top of the first £6k for Solihull pupils in mainstream schools). Modelling has shown that the figures will be so close as to not cause disruption (the biggest loss is £1k) and therefore it is reasonable to fully implement the new system with a conversion map, following sign-off by Cabinet Member on 5 July.

SF referred specifically to items 5.6 (the design principles) and 5.9 of his report. 21% primary and 51% secondary pupils currently receive .5-3 units, 10% and 16% (respectively) of whom receive £400 additional funding. The plan is to remove this level of support. The remaining bands have been set largely with reference to current funding but with a closer alignment with the actual cost of support (staff and resources) at higher levels.

There is a strong case that the higher end of need is currently underfunded and funding has been increased as much as is possible with current resources.

A personalised discussion will be required for pupils in mainstream schools on 7+ units for very complex needs.

For pupils moving into a Solihull school from out-of-borough, there will need to be a greater emphasis on the school agreeing the top-up amount and communicating that to the LA.

Special Schools

The conversion process for special schools is more complicated. At present, for a number of reasons, every special school has a unique set of top-up rates and schools want to move away from this old system.

Applying a similar process for special schools results in a set of rates which are consistent.

Where there are losses, a watch will be kept throughout the year and, if necessary, the budget will be corrected at year-end. There is no intention for schools to lose money in-year.

This framework will apply to out-of-borough children seeking Solihull placements.

Members agreed that the clear guidelines and structure will help schools to better understand the process and the mapping of descriptors against funding seems appropriate.

FWG gave its support to the proposal which will be taken to SEND WG on 20 June and then be presented to CM for approval on 5 July. The outcome will be reported to Forum on 10 July.

SEND WG  
Forum

10	<p><b>Maintained School Reserves – Steve Fenton</b>  <i>Reference 'School Reserves Final 2016-17 Confirmed Position'</i> (document is for reference only and will not be published on-line as it is 'raw' data.)  The headline is that figures have increased, most likely due to volatile and difficult times ahead. Under the Scheme for Financing Schools this falls under the Balance Control Mechanism where LS's team would speak to highlighted schools to gain an understanding of their plans. However, under present circumstances, the team will be taking a 'light touch' approach, engaging with individual schools only where they believe it would be helpful to offer support to their Governing Bodies.</p>	
11	<p><b>Procurement Update – Darren Jakeways</b>  <i>Reference 'School Contracts June 2017'</i>  DJ reported the following:</p> <ul style="list-style-type: none"> <li>• Chris Lowe has been appointed as dedicated Schools' Procurement Partner and will start on 17 July 2017. Two specific areas he will be working on are the Schools' Cleaning framework, in an attempt to broaden competition and ensure it is working effectively and also assess what intelligence is undertaken when we are pursuing a new contract to ensure our contracts perform.</li> <li>• The Grounds Maintenance contract has been extended for a further 12 months.</li> <li>• Veolia has been extended for a further 12 months.</li> <li>• When the LA removed the free Recycling collections, Procurement and schools were left to put alternative arrangements in place and some schools made their own arrangements. Veolia will now undertake recycling collections for the next 12 months, but there will be an additional cost. In future, this will form part of the new framework.</li> <li>• Work will take place on the Schools Extranet to ensure the procurement information is up to date.</li> <li>• The Dynamic Purchasing System (DPS) for Home to School Transport is now in place, is fully EU compliant and a training session is scheduled for 15 June. It is a purely electronic system which allows providers to come and go and will hopefully improve competition and quality. Safeguarding is vital and DJ assured members that the LSCB had been involved in reviewing all LA contracts. In addition the transport world is highly regulated, so there is no need to revisit that. The LA has also invested in a training programme for escorts based on a national accredited framework and a condition of the contract will be to undertake that training.</li> </ul>	
12	<p><b>Next Meeting – 9.30am Tuesday, 12 September 2017 at Room 1, Civic Suite</b></p>	