

**FINANCE WORK GROUP
REPORT TO FORUM
FOR PRESENTATION
AT FORUM ON 11th Jan 2024**



Date of Work Group meeting: Tuesday 12th December 2023

Items discussed (brief summary of key items):

Minutes and matters arising - The minutes of 12th September 2023 were approved. The Heights school has opened. Steve and Verity Dixon will circulate statistics on local LEA SEND deficits as requested by Lynn Clarke.

Terms of Reference for the Finance Work group 2023-24 - The existing T of R were approved.

2023-24 DSG Financial Monitoring Statements (Ian Murray) - IM tabled the outlined budgets for DSG and High Needs for 2023-24. The School block has moved into deficit due to increased calls on the growth funds (£403K) these will be funded by our loan from the DfE, Central remains in balance. Early Years Funding is also in balance but we still not know the grant for this year. But the deficit on High Needs continues to grow by an anticipated £3.020m to an accumulated deficit of £19.9m. Within the High Needs budgets there is plenty of variance – Inclusion, and Alternative provision are being developed and are in deficit against budget, but post 16 and Special school purchase places are in surplus. Independent school fees are £994k over budget at £7.7m.

It was also noted that the % allocation of DSG from the government is: Schools Block 77%, High Needs 16%, Early years 6%, Central 1%.

Independent School and College payments (Steve Fenton) - The latest figures show the same trends as last report – that the number out of Borough is constant but the costs per place are rising. New or late in year placements are even more expensive at £52k per place. Transport costs £984k per year. It is too early to see the impact of increased provision in Borough.

TU Facilities Time Report for 2022-23 (David Lewis) - Reports were received from the teaching unions (NEU, NAS/UWT, and NAHT) plus support staff unions (GMB and Unison). There were 999 recorded contacts with local union officers (675 for Teaching Unions and 324 for support staff) of which the greatest number concerned Advice, sickness and well-being; and staff absence. The year was one of strike ballots and strike days for the teaching unions. One notable feature for both teaching and support staff unions is the contacts are taking longer to resolve. Last year 71% were resolved after 1-2 contacts – this year it is 62% and 57% for support staff.

Facilities time is available to support Maintained schools and those Academy schools who buy into the scheme. It is charged at £5.20 per pupil.

Admission Team Report for 2022-23 (Nicky Etherington) - An annual payment is made to this service of £279,313. Admissions is a statutory responsibility on all schools and in Solihull, all schools and academies use the Borough's scheme (academies buy the scheme). The service handled some 40,000 phone calls and 50,000 e-mails. The number of appeals was 406 with 10 being successful: this is a 300% increase over the 109 in 2020. Over 500 hours are spent on appeals. The service faces a number of serious issues:

- Families moving into the Borough mid-year – approximately 3002 applications compared with 1,666 in 2021
- The high numbers of entrants from Hong Kong residents – 1600 are resident (with no extra funding) plus from Ukraine, Afghanistan and Sudan (funded)
- Most live in the same resident areas putting great pressure on places

- As a result, some year groups are now full
- This affects school place planning and the growth fund
- More delays in placing pupils and more use of the Fair Access Panel for secondaries

Nevertheless, Solihull runs an excellent service with the excellent co-operation of head teachers that enables the system to manage. Against these problems the Solihull service works on a basis of £6 per pupil against a national average of £9 per pupil and a regional average of £7 per pupil. Solihull is believed to be among the lowest funded figures in the country.

Early Years' Service (Lisa Morris) - LM presented the annual report on Solihull Early Years' Service. This covers all placements for 2- to 4-year-olds which are registered, including child-minding. This totals 250 registered Ofsted providers. The numbers have been falling nationally, though Solihull numbers are holding up better than elsewhere. The emphasis in the service is to raise standards in settings rated as less good during annual inspections. Since the last report (up to June 23 97% of EY registered settings are rated as good or outstanding), with concentration on those "requiring improvement". Feedback from practitioners and users is encouraged and is good. A lot of time is being spent preparing for the extension of the Early Years provision to the 9 months + group. On that basis Finance WG supports the central spend of £262,755 be continued for 2023- 24.

Early Years Inclusion (Lisa Morris) - LM presented the annual report for Early years Inclusion for 2022-23. For 3–4-year-olds this is a service for children with known SEND problems regardless of domestic area, and for 2–4-year-olds in Solihull where SEND is suspected. Solihull is above average for giving this early support and is trialling the automatic continuation of funding across age cohorts. The annual cost is £250k. This will be supplemented by funds from the high Needs budget. In 2022-23 this totalled £332K.

Finance WG supports the central spend of £250k for 2023- 24.

Solihull Family Information Service (Rosie Ratcliffe) - This service provides statutory information, advice and assistance to families in Solihull to help them access childcare and services. It is a free service. Services provided include:

- Information and brokerage on childcare (in 2022-23 there were 2802 telephone enquiries)
- 2-year-old funding for eligible parents (in 2023 the current take-up in Solihull is 90% against a national figure of 74%)
- Processing 3-4-year-old payments including extended hours (5,513 claims, a decrease of 5% on the previous year)
- The service has recently been extended to cover foster care – for 2022-23 it involved 24 looked after children
- Free School Meals (in 2022-23 there were 3,837 applications – down from 4140). In addition, the service administers the Free School Meals – Voucher Scheme for school holidays which handled on average over 8,900 meals for young people with a 95% redemption rate
- Sponsored Day Care places (in 2022- 23 55 new placements were set up plus the 47 existing placements)
- Information on services is on the Local Offer website as well as using local social media

This is a first-class service and Finance WG supports the annual funding of £266k. One positive result of having all three services together was how well they worked together.

Central Services and School Forum Decisions for 2023-24 (Steve Fenton) - The annual report to Forum asking for the approval of centrally held budgets in the Central Services and Early Years Blocks was tabled for information, discussion and recommendation to School Forum. The local authority is requesting that centrally held funds be approved at the same level but with a 3.7% increase in costs to cover inflation. This is the first increase for many years. As in previous years the central grant has been cut by the government, but the authority will seek to absorb much of this. The main areas are:

- Growth funds £700k – it was noted that the extra funds for growth £795K was a loan not a grant, £285k has to be paid back in 2024. Yet numbers continue to grow. This is an increase of £100k on last year. It is anticipated that the central growth grant will fall by £500k reflecting

falling primary school roles, but our numbers continue to grow. Our committed funds for growth for the next year is £1.1m

- Central Service Block- £1.383m
- Historic commitments -£1.115m
- Early Years services - £1.104m
- De-delegation from Maintained schools - £2.315m

Full details will be given at Forum

Finance WG recommends the paper to Forum for approval.

School Funding 2023-24 update (Steve Fenton, Verity Dixon) - Steve reported on the decision by Solihull MBC not to apply for disaggregation on a transfer of funds from the Schools Block to the HN Block and the work being done on DBV and the Task Group set up to consider the implications for Solihull Schools.

A.O.B: Procurement (Chris Lowe) - Chris gave a verbal report outlining the new Procurement regulations that will apply in Oct 2024 for all public service procurements on large items. He will bring further details to future meetings.

DWL 12/12/23