

DERBYSHIRE COUNTY COUNCIL
DERBYSHIRE SCHOOLS' FORUM
Minutes of the Meeting Held on 15th December 2020
At 6pm on Microsoft Teams

Present

Members

George Wolfe – Curbar Primary
Sarah Lorking – Redhill Academy Trust
Peter Johnston – The Village Federation and The Fitzherbert CofE Primary
Julian Scholefield – Esteem MAT
Dr Alan Thomas – Northfield Junior School
David Baker – The Pingle Academy
Thomas Osborn – Baslow St Anne's Primary
Jennifer Murphy – Hunloke Park Primary
Nick Goforth – Belper Secondary
Sarah Baker – Team Education Trust
Chris Greenhough – Swanwick School and Sports College
Margaret Mason – Children 1st
Martin Brader – Dronfield Henry Fanshawe
Daniel Neale – NEU
Siobhan Johnston – The Brigg Infants
Michelle Hill – Derbyshire 16-19 rep
Chris Wayment – ASCL

Substitutes

Cilla Holman – Hadfield Infants
Peter Crowe – ASCL

Observers

Cllr Jim Coyle – DCC
Cllr Julie Patten – DCC

DCC Officer/others

Jane Parfremment - Executive Director of Children's Services
Iain Peel - Service Director, Schools and Learning
Alison Noble - Service Director – Early Help & Safeguarding
Chris Allcock - Children's Services Finance
Karen Gurney - Children's Services Finance
Andy Walker - Children's Services Finance
Ruth Lane - Children's Services Finance
Phil Burrows - Children's Services Finance
Saranjit Shetra - Assistant Director Education and Improvement
Paula Williams - Assistant Director – Learning Access and Inclusion
Chris Caley - Early Help Transition and 0-5 Partnership Lead
Louis Hughes - Children's Services, High Peak North Dales Locality

The Executive Director for Children's Services, Jane Parfremment, welcomed new members and thanked everyone for their hard work during what has been a particularly challenging year.

Chris Allcock welcomed two new Academy members, Sarah Baker, Chief Executive Officer of Team Education Trust and Lisa Key, Director of Finance and Operations, at Queen Elizabeth's Grammar School MAT. As a result of these additions there are now no vacancies on the Schools Forum.

Apologies

Emma Hill, Lisa Key, Peter Hallsworth, Michelle Jenkins, Philip Curtis

20/24 Minutes of the meeting held on 21st October 2020

The minutes were approved for accuracy and there were no matters arising.

20/25 De-delegation of funding 2021 – 22 – outstanding matters

Chris Allcock presented the paper which asked representatives of LA maintained schools on the Schools Forum to consider the de-delegation of funds for schools' insurance for 2021- 22. The paper also invited the Schools Forum to give its views on the LA's proposed de-delegation funding arrangements for 2021- 22.

At the last meeting in October 2020, representatives of LA maintained primary, secondary and special schools agreed to de-delegate funding for a range of services for 2021-22. Insurance had been deferred as it was unclear what impact, if any, the DfE's Risk Protection Arrangements (RPA) for academies might have.

The DfE have now confirmed that LA maintained schools could only join the RPA scheme provided that in doing so they wouldn't be breaking any existing contractual agreements with other insurers. As the LA's current schools' insurance contracts run until May 2022 it is not possible for schools to join the RPA scheme at this stage.

Given the above, primary and secondary schools were asked if they wished to de-delegate funds for insurance for 2021-22. The responses shown in Table 1 indicate a significant majority wished to continue with the current arrangements. De-delegation for primary and secondary schools is a matter for each LA maintained sector's representatives. The LA recommendation was that funds should be de-delegated, with a commitment that the Authority would look at arrangements for 2022-23 onwards during 2021.

Nick Goforth said that as an academy school he had tried to claim from the RPA insurance scheme and found it was easier than claiming via Zurich direct.

The Chair, Martin Brader, asked for votes and all LA maintained primary and secondary sector representatives agreed that de-delegation for insurance should take place for 2021- 22.

In terms of the wider funding arrangements of de-delegated charges for 2021-22, Table 2 of the report showed that charges next year were set to rise significantly. In order to reduce the impact, the Authority proposes to use some of the accumulated reserves from previous years to keep the increase to 1% per pupil.

Subject to affordability, a similar arrangement might be applied for 2022-23 but this will depend on several factors including future spending levels, the availability of reserves, the Schools Forum's views about the merits of continuing with de-delegation and, of course, whether future DfE regulations allow the de-delegation following the proposed consultation on the hard National Funding Formula in Spring 2021.

There were no comments from the floor.

The Forum accepted the report's recommendations.

20/26 DSG overview including national funding update

Chris Allcock presented the paper to inform Schools Forum of the prospective DSG position for 2021-22 onwards in the context of the national funding settlement and the measures needed to ensure aggregate DSG reserves remain in surplus.

He referred to the table in the papers indicating that the DSG forecast balance is £0.963m at the end of 2020-21. Although this represents an increase compared with the start of year

balance, £0.188m, the deficit in the uncommitted DSG reserve is still estimated to be nearly £3m.

The main pressure on the DSG is the High Needs Block (HNB) and the key to resolving the accumulated deficit is keeping future years' spend within the grant limits for each block.

National Funding Update

Chris confirmed that the actual DSG settlement for 2021-22 has not yet been published. Reports on the Central Schools Services and High Need blocks will be presented later this evening which, if agreed, would add £0.5m to DSG reserves during 2021-22.

Schools Block (excluding the Pupil Growth Fund) is unlikely to contribute funds towards the DSG deficit, largely due to a significant increase in the free school meal (FSM) count during the year of 23.6%. The increased count will generate additional resources but not until 2022-23, in the meantime there is a £1.9m unfunded pressure for 2021-22. The issue has been raised with the DfE which said they are aware of it, but as there is no extra funding, LAs will have to manage it through their formulae. The options available to the LA include one or more of the following:

- reduction in MFG protection
- placing a cap on schools' gains
- reduction in one or more formula multipliers
- transferring resources from elsewhere within the DSG.

One option would be to reduce the MFG from 2%, as originally proposed, to 1%. This change, together with a cap on gains of 4% per pupil may be sufficient to close the gap. As an alternative, if the FSM multiplier were to be pared back it would need to be reduced by around £80 to recover the position. Reducing the multiplier would affect nearly all schools including those that had not seen an increase in their own FSM count. For this reason, capping was preferred as it would impact more on those schools seeing the biggest increases in funding.

In January 2021 the FSM count will drive a significant increase in Pupil Premium funding for 2021-22, assuming the DfE continue with the existing rates per pupil.

Pupil Growth funding is now expected to be around £2.4m rather than the £3m previously assumed. This budget contributed £1.325m in 2021-22 towards DSG reserves. Given the lower income in 2021-22 the LA is planning a reduced contribution to reserves of around £0.500m. Allocation of the Pupil Growth funding is a matter for the Schools Forum and will be the subject of a report to the next meeting in January 2021.

There is no news of the Early Years Block settlement at this stage.

In terms of closing the Schools Block shortfall, Nick Goforth commented it will be interesting to see how many schools are impacted and by how much for each of these options.

Peter Johnston stressed that very small schools had been made aware of an unexpected projected impact on 2021-22 budgets recently due to changes in the teachers' pay and pension grants which had resulted in a loss of £18,000 over two years in one of his schools. Therefore, we need to know how much schools are impacted by a proposed reduction in MFG as they could take another hit in funding. He would want to know the impact on schools of 50 or less pupils.

Martin Brader asked how sensitive each of the savings options was to the overall DSG settlement. Chris Allcock replied that the overall size of the DSG settlement can be largely predicted as we know the funding rates and have a good idea of the October 2020 census

data. The keys to which options are chosen are the data changes for 2021-22 which will drive individual school budget changes. Until the DfE publish the final formula data it is difficult to carry out definitive modelling, particularly given the likely turbulence in deprivation and Low Prior Attainment data.

Chris accepted Peter Johnston's comment regarding small schools. In 2020-21 the teachers' pay and pension grants amounted to £179.88 per pupil and, in allocating funding, the DfE had assumed every school had a minimum of 100 pupils, guaranteeing a minimum grant of £17,988. In the National Funding Formula these former grants have been added to the basic entitlement multiplier, the increase being £180 per pupil. However, now there is no minimum number of pupils per school, a tiny school with 10 pupils would only get £1,800, compared to a grant of £17,988. MFG will help with the shortfall but may not completely fully compensate schools. The impact may be softened if other data changes improve the school's overall funding, for example an increase in FSM counts.

Peter Johnson said that the chances are the smaller schools won't get an increase in pupil premium and in his three schools which total a combined 130 pupils he has had no additional FSM eligibility. Peter added that he was really conscious that MFG decreases would hit small schools the hardest.

Chris reported that there are currently 113 schools in Derbyshire with 100 pupils or fewer and which collectively receive £2m in pay and pension grants. Under the National Funding Formula, they will receive around £1.3m through the £180 per-pupil increase, plus a further £0.25m of MFG support, assuming an MFG rate of 1%. MFG of around £0.33m would be triggered at 2%. The increase in MFG therefore only has a marginal impact on reducing the net change in funding.

Chris then went on to talk about the DfE Recovery Plan Template which is a complicated spreadsheet. As the LA is planning to avoid having an aggregate DSG deficit there is no requirement to complete it. However, the DSG position will be kept under constant review and, if necessary, can be a standing item on future Forum agendas.

The Schools Block data and settlement are expected very shortly and, once received, the Authority will model the impacts of formula changes to keep allocations within the overall grant. If practicable, summary information will be shared with Forum members to show the impact on schools. However, it should be noted that the deadline for the Schools Block template to be presented to the DfE is 21st January 2021 i.e. before the next Forum meeting. Schools Block decisions are a matter for the LA; accordingly, the January Forum meeting will receive a report on the outcome of the final decisions.

Forum agreed to note the report.

20/27 SEN Strategic update

Paula Williams - Assistant Director, Learning Access and Inclusion gave a detailed PowerPoint presentation to the Forum regarding the High Needs Block budget and the SEND transformation plan and the pressures that are being seen locally and nationally. The Power point is to be distributed to Forum members separately.

No comments were raised by Forum members.

20/28 High Needs Block 2021 - 22

Chris Allcock presented the paper to inform Schools Forum of the provisional indicative High Needs Block settlement for 2021-22 and the potential spend for next year. He confirmed that,

whilst the final settlement has not yet been received, he is still expecting an overall increase of around £8.545m. Appendix two provides a first look at estimated costs for 2021- 22.

The inflation estimates include the impact of the recent decision to impose a pay freeze for many public sector workers, resulting in pay inflation indices of 1.146% for teachers (5/12th of September 2020 award), whilst other pay groups are listed at 0% in the report. The top up inflation indices will have to be lifted slightly to reflect the increase in pay of those staff currently earning below £24,000 per annum. The extra costs will be taken from the planned high needs prices contingency fund.

It should be noted that funding for special schools and PRUs to replace the former teachers' pay and pension grants will be distributed separately via a start of year allocation, rather than being paid through increased top ups.

In summary, the budgets are increasing only to reflect pay increases, most of the balance is needed to meet demographic increases. Chris has asked other East Midland local authorities what their plans were for increasing top up funding next year. Whilst it was difficult for LAs to say definitively what would happen, respondents indicated they were struggling to manage the High Needs Block budget and none were planning to increase top ups.

Decisions on High Needs Block expenditure are a matter for the LA but are taken in partnership with the Schools Forum. A further paper will be presented at the next Forum meeting in January before Cabinet makes the final decisions in March.

No other comments were raised and the Forum agreed to note the report.

20/29 Central School Services Block budget proposals 2021 - 22

Chris Allcock presented the paper to seek Schools Forum approval to the 2021- 22 Central School Services Block budgets. Chris confirmed that, whilst the Authority had not yet received the final 2021-22 settlement, the LA is able to predict the funding quantum for next year. The per-pupil rate is now fixed at £31.72 and the Authority has a robust estimate of the October 2020 pupil census data.

Table 2 shows the proposed spend from the Central School Services Block for which the Authority is seeking the School Forum's approval.

Chris pointed out that a year on year reduction of 20% has been applied by the DfE to the funding for historic commitments. In Derbyshire this funding has been used to support the Authority's Early Help Offer. If the Forum decided not to agree to use this funding for this purpose in 2021-22, the DfE would remove the funding from Derbyshire from 2022-23. It is therefore in our collective self-interest to keep the money within Derbyshire. Alison Noble, Service Director – Early Help & Safeguarding then spoke about the Council's Early Help Offer and how the CSSB funding, together with £6m of the Council's own resources, are used to support schools.

No comments were raised from Forum members and the Central Schools Services Block budget proposals were agreed as set out in Table 2 of the report.

20/30 Dates of future meetings

28th January 2021 at 6:00 p.m. – Teams Meeting

30th June 2021 at 6:00 p.m. – Teams Meeting

The meeting closed at 7.30pm.