

DERBYSHIRE COUNTY COUNCIL
DERBYSHIRE SCHOOLS' FORUM
Minutes of the Meeting Held on 28th January 2021
At 6pm on Microsoft Teams

Present

Members

George Wolfe – Curbar Primary
Peter Johnston – The Village Federation & The Fitzherbert CofE Primary
Dr Alan Thomas – Northfield Junior School
Thomas Osborn – Baslow St Anne's Primary
Peter Hallsworth – South Normanton Nursery
Chris Greenhough – Swanwick School & Sports College
Martin Brader – Dronfield Henry Fanshawe
Siobhan Johnston – The Brigg Infants
Chris Wayment – ASCL
Philip Curtis – Catholic Dioceses of Nottingham and Hallam
Sarah Lorking – Redhill Academy Trust
Julian Scholefield – Esteem MAT
Emma Hill – Castle View Primary School
Jennifer Murphy – Hunloke Park Primary
Sarah Baker – Team Education Trust
Jeannie Haigh – Willows Academy trust
Daniel Neale – NEU
Lisa Key – QEGS
Michelle Jenkins – Etwall Primary School

Substitutes

Cilla Hollman – Hadfield Infants
Peter Crowe – ASCL
Ben Riggott – Parkside Community School

Observers

Cllr Robert Flatley – Elected Member DCC
Cllr Julie Patten – Elected Member DCC
Cllr Jim Coyle – Elected Member DCC

DCC Officers/others

Saranjit Shetra – Assistant Director, Education and Improvement
Iain Peel – Service Director, Schools and Learning
Paula Williams – Assistant Director, Learning Access and Inclusion
Amanda Gordon – Early Years Manager
Chris Allcock – Children's Services Finance
Phil Burrows – Children's Services Finance
Andy Walker – Children's Services Finance
Karen Gurney – Children's Services Finance
Ruth Lane – Children's Services Finance

Martin Brader chaired the meeting. Chris Allcock welcomed two new members, Councillor Robert Flatley replacing Councillor George Wharmby and Canon Linda Wainscot who replaces David Channon.

Chris Allcock confirmed that the meeting was quorate.

21/01 Apologies

Nick Goforth and Cllr Alex Dale.

21/02 Minutes of the meeting held on 15th December 2020

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

21/03 Schools Block 2021 – 22 update – final allocations

Chris Allcock presented an update on the final Schools Block settlement for 2021-22 and the formula multipliers to be used to calculate mainstream schools' budgets.

In order to implement the National Funding Formula (NFF) in full, excluding the Pupil Growth Fund, there is a shortfall of £1.111m. This is slightly higher than at the briefing, due to an in-year budget adjustment for Free Schools. The shortfall will be funded by a draw down from reserves to cover the Free Schools element, with savings in the rates budgets of schools which are set to become academies and £0.615m from the Pupil Growth Fund making up the balance. The latter contribution follows on from the briefing held on 8th January 2021 and subsequent e-mails in support from Forum Members.

There were no comments from the floor and the Forum agreed the report's recommendations.

21/04 DSG Monitoring 2020 - 21

Karen Gurney presented the paper to update the Forum with the Revenue Budget position of the Dedicated Schools Grant (DSG) for 2020-21 up to the end of December 2020.

The expected year-end overspend is £1.994m, however, this includes an underspend of £0.622m which is ring-fenced to schools, resulting in an LA overspend of £2.616m.

The key expenditure variances compared with the budget are underspends of £1.570m and £0.622m in the Central School Services Block/Pupil Growth Fund and re-pooled school funding and an overspend of £4.707m in the High Needs Block (HNB).

The HNB overspend is largely to support children in mainstream settings and in the independent sector and the overspend has grown substantially since the last report to Schools Forum. There is a risk that the overspend could continue to grow before the year estimated at between £0.300m - £0.700m.

Overall, the forecast overspend would result in an accumulated DSG deficit at 31st March 2021 of ~ £1.5m, which would require the LA to prepare a deficit recovery plan for the DfE. If required, a plan will be brought to the Forum meeting in June 2021.

Julian Scholefield commented that the natural reaction to the increasing spend on the HNB would be to restrict expenditure. However, expenditure on the independent special school sector is also increasing and if we don't invest in state funded schools external costs may rise further. We need to look at an invest to save model and use money wisely. There is a danger of looking purely financially without considering the impact of those potential decisions.

Paula Williams replied that we must consider individual needs and preventative spend. There is a review planned for independent provision and current placements. We are looking to get value for money and don't wish to restrict spending in one area which causes spend in others.

Michelle Jenkins asked about protecting the underspend of re-pooled funding when some budgets like Trade Union facilities release were being cut. Chris Allcock replied we are

forecasting an underspend of the re-pooled allocation for this year, although he didn't have an exact breakdown to hand. Some of that has been committed to subsidise an increase in rates in funding collected from schools for re-pooling in 2021-22.

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

21/05 High Needs Block 2021-22 update

The paper informed the Schools Forum of the High Need Block (HNB) settlement for 2021-22 and considered priorities for funding. The HNB is a matter for the LA but views are sought from the Forum. The settlement is £0.650m more than the July forecast and totals £88.965m. However, whilst this was good news, the emerging problem is that Derbyshire's HNB is forecast to overspend by £4.707m in 2020-21, £3.595m more than the September forecast.

Table 1 shows a sector breakdown of the over/underspends & Table 2 shows the increasing top-up expenditure between 2017-18 to 2020-21. Increases in HNB income have not matched the increases in HNB expenditure. In view of the expenditure trends and the forecast DSG deficit, it has been necessary to re-assess spending for 2021-22. The target, therefore, is to at least keep high needs spending within the grant for 2021-22. Therefore, the only increases shown in budget headings in Appendix 2 are for the Teachers Pay and Pension grants and the contingency which is increased by £1m to £1.3m. However, there is still a risk that the contingency may not be enough. The proposals leave an uncommitted grant of £0.584m. However, since the report was written, further adjustments have reduced this to £0.430m.

Chris Greenhough said that, speaking from a special school point of view, if top-ups were not increased, as discussed at the last meeting, this has a proportionally bigger impact on special schools than mainstream because top-ups represent 50% of their income. No increase would make a mockery of the Minimum Funding Guarantee (MFG) of 1.5% which mainstream schools are receiving, and special schools are not.

Julian Scholefield said he fully agreed with Chris Greenhough and we should look at our HNB plans in the context of other LAs whose positions are worse than ours. If they are overspending, what are the DfE saying to them. He felt that we should have some room for manoeuvre. Not increasing top-ups will increase demand at independent schools. Historically, independent spend was high, then it reduced, and now it is increasing again. We should spend more on state- funded special schools and less on the independent sector. Freezing spending will have a significant impact on special schools.

A conversation took place on the 'meeting chat'. Iain Peel asked Julian to expand on his 'room for manoeuvre comment' to which Julian replied that as other LAs have been overspending on HNB for a number of years, presumably Derbyshire would be allowed latitude also. Iain replied that others have either applied to the DfE to move funding from the Schools Block, applied cuts and/or reduced top ups etc. Paula Williams added that she believed all LAs with an overspend are asked to prepare a recovery plan.

Chris Allcock replied that in December we were looking at a top-ups increase of 1.45% and that approximately 60% of special school funding came via this funding stream. Mainstream schools were also not going to see an increase in funding for their top ups. However, he understood that schools were set to receive at least 1.5% via the MFG in their Schools Block funded budgets and understood the points that Chris and Julien were making regarding equity.

Chris had undertaken a quick internet trawl and found that Surrey have an accumulated DSG deficit of £80m, anticipated to increase to £101m in 2021-22. Cambridgeshire have a DSG deficit of £30m although this wasn't clear whether this was for one year or an accumulated position and Devon's deficit was £46.5m. He didn't know what the DfE were saying but assumed the LAs had approved recovery plans. Derbyshire's position, although concerning, was not on the scale of these and some other LAs.

No further comments were raised and the Forum noted the report.

21/06 Early Years Block 2021 - 22

Chris Allcock presented the paper to update the Schools Forum on the Early Years Block announcements for 2021-22 and seek approval to Central Early Years budgets for next year. For information, the Schools Forum set early years central budgets and the LA the formula.

No increase in the DfE's hourly rate had been received in 2020-21, Derbyshire's rate being £4.39. For 2021-22 all LAs will receive a £0.06 increase on their pure EYFF with a minimum of £4.44. As Derbyshire's pure EYFF rate for 2021-22 is £4.30, the on-going protection of £0.14, raises our rate to the £4.44 minimum. This means our actual the increase is £0.05, (£4.44 - £4.39) a 1.14% increase on 2020-21.

The settlement for this block is always indicative as it is based on January 2020 census data. Final 2021-22 allocations will be based on the actual January 2021 and January 2022 census data. There is concern that as the January 2021 census drives the funding allocation for January to August 2021, and attendance is low due to Covid 19, if attendances increase during the summer there may be a gap between funding and costs. The DfE have, however, included a safety net that January 2021 census funding could be lifted up to 85% of January 2020 levels if attendances increase.

The DfE have said that the Maintained Nursery Schools grant for the period September 2021 to March 2022 (£0.582m) is conditional and thus unconfirmed. The DfE expect to comment further in early 2021 but the government remains committed to the long term funding of nursery schools.

Peter Hallsworth commented that MNS grant and future funding for nursery schools is an area for concern and all through the pandemic they have been lumped together with PVI's and not been able to claim for additional funding as schools have e.g. PPE and sickness support etc. Peter had attended a meeting with Vicky Ford MP, who said that it was planned that nursery schools and PVI's should have parity in funding in the future.

No further comments were made and the Forum agreed the report's recommendations.

21/07 Pupil Growth Fund Budgets 2021-22

Chris Allcock presented the paper to inform the Schools Forum of the LA's Pupil Growth Fund for 2021-22 and to seek approval to its allocation. The total allocation is £2.495m and is based on increases in pupils in Middle Super Output Area (MSOA) counts between October 2020 and October 2019 plus new schools registered for the first time in October 2020. The fund can be used to: Support additional classes needed to meet infant class size regulation; support growth in pre-16 pupil numbers to meet basic need; meet the costs of supporting free schools and support mainstream school and academy budgets

The Forum noted the agreement to use Pupil Growth funding to support mainstream school and academy budgets following the recent briefing.

Support for Infant Class Sizes

Chris proposed that the current arrangements continued in that schools with more than 300 pupils on roll were ineligible for support and all schools are expected to self-fund the first £500 per month of any claim.

The current budget is £1.128m equating to around £9 per pupil, a level still above the most recent figures published by the DfE for our statistical neighbours.

The Forum agreed a KS1 class size base budget of £1.128m for 2021-22 and agreed to retain the existing allocation arrangements also for 2021-22.

Support for In-year pupil increase to meet basic need

Chris proposed a £0.250m fund to support in-year pupil increases where the LA has required the school or academy to admit a significant number of children. The first 1% of any claim must be borne by the school and they should utilise any existing balances if at all possible.

The Forum agreed an in-year pupil increases budget of £0.250m for 2021-22 and to retain the existing eligibility arrangements for 2021-22.

New Free Schools

Two new primary free schools opened in September 2019, another in September 2020 and one more is planned to open in September 2021. A further four primary schools are planned under the DfE's Free School Presumption process for September 2023 & 2024. Additionally, there are a further three schools currently under consideration for direct funding from the DfE which, if agreed via that process, would not have a claim on DSG funding.

The paper then explained the background to pre and post opening support for Free schools and gave an estimate of the long term costs and required future contributions to the Free Schools reserve.

The Forum noted the forecast position in respect of Free Schools and agreed to contribute £0.500m to the Free schools Reserve for 2021-22.

21/08 Central School Services Block 2021 – 22 – further update

Chris Allcock presented the paper to update the Schools Forum regarding the final 2021-22 Central School Services Block (CSSB) allocation and seek approval to some residual actions.

Since the paper presented at the last meeting there has been an increase in income of £0.664m in respect of increased pensions costs and a slight reduction in the budget requirement for copyright licences of £0.021m.

The pensions allocation is to meet the increased costs of the increase in employer contributions from 14.48% to 23.68% of gross pay from September 2019 for centrally employed teachers. It is unclear why this has been allocated as part of the CSSB rather than the relevant HNB and EYB where the staff are employed. Most of the additional CSSB funding can be set aside towards the expected DSG deficit as the costs of staff in the other DSG blocks have already been budgeted for within those blocks. It is thought that £0.169m of the pension funding relates to staff employed in the Adult Education Services. Karen Gurney confirmed that regulations regarding the CSSB had just been changed and allowed this funding to be transferred to the Adult Education Service within the LA.

No comments were raised from the floor.

The Forum agreed the report's recommendations.

21/09 Dates of future meetings

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

The meeting closed at 7.10pm.