

**FINANCE WORK GROUP
REPORT TO FORUM
FOR PRESENTATION
AT FORUM ON 10th December 2019**



Date of Work Group meeting: Monday 2nd December 2019

Items discussed (brief summary of key items):

Out-Turn Monitoring Statement - Review DSG Financial Monitoring Statements S.Fenton tabled the General DSG Grant for 2019-20 and the 2019-20 High Needs Block. There had been little movement since the last statement in November and most budgets are within the parameters set except High Needs which continues to be in deficit by £5.613m (including a carryover of £1.4 m from 2018-19). S.Fenton spoke of the work being carried out at Summerfield in the light of its Ofsted report. We also had an outline of the work being done to draw together the Recovery Plan which is due to be presented to Cabinet Member in February 2020.

Termly Report on Out-of Borough Placements This was tabled and discussed. It showed the extent of expenditure out of Borough and the challenges to be faced in bringing pupils back into Borough to reduce expenditure.

School Funding for 2020-21 – Central Services – S.Fenton tabled a paper making recommendations to Schools Forum in respect of the budgets for various centrally held Central Services: These apply to all non-specialist schools.

- A Growth Fund of £350k to cover the growth in pupil numbers
- The Central Services Block of £1.118m (this is Government money in and out)
- Early Years funding of £527K and Family Information Service of £250k
- Early Years Inclusion Fund of £250k
- Early Years Contingency of £130k
- A primary de-delegation of £100.4k to cover contingencies (maintained primary schools only)
- A de-delegation for trade unions amounting to £6.00 per pupil (down from £7.50 per pupil in 2018) in maintained schools.

Historic Commitments of £1,157,600. This represents a 20% reduction (£289,400 on last year's expenditure) introduced without consultation by the Government in November this year. Full details will be given at Forum. It is recommended that funding be reduced for Excellence in the Community from £60,300 to £27,800 and funding for Sports Development (£26,800) and Collaborative Funding (£80,000) be cancelled. These reductions, together with a Local Authority funding grant of £150k will enable the other services to schools and the Prudential Borrowing to be maintained. Finance Committee recommends these to Forum for approval.

School Funding for 2020- 21 – General Services S.McHale tabled a paper with appendices outlining the responsibilities and statutory duties the Local Authority carries out for all maintained schools, including special schools and pupil referral units. With the reduction in the Government funded General Rate of Education Services Grant, this involves a top-slice to school budgets for maintained schools. Despite rising costs and inflation this is to be the same as last year at £66 per pupil for mainstream schools, £165 for special schools and £165 for PRUs. This amounts to £1.182m against an estimated cost of £1.914m (the balance of £0.732m being met by the LA).

At a time of rising pressure on school budgets, it is recognised that these are extra burdens, but given their statutory nature it is recommended that Forum approves the request for top-slice to school budgets.

Collaborative Funding D.Lewis spoke to a paper outlining how the annual £80k grant from Combined Services is used to sponsor the work of the five Collaboratives in the Borough. £60k goes to the Collaboratives on a pupil pro-rata basis and covers the central administration costs, and the remaining £20k goes in a special project fund administered by SSSAB. Reports from each of the Collaboratives were tabled outlining the work being undertaken, together with the latest accounts and expenditure plans. Of particular note was the list of initiatives being undertaken by SSSAB including:

- The SMILE programme which trains staff in their understanding of mental health and well-being,
- and how the pilot developed in Solihull is being rolled out to other schools

- Effective classroom observation
- Moderation events
- Peer Reviews
- English and Maths forums
- Extending the SEND initiatives started in the SSIF bid.

Finance Work Group was very impressed by the amount of work being undertaken. It is hoped that despite the annual grant of £80k being withdrawn, the Collaborative initiative, having established a strong momentum, will continue to flourish in Solihull.

Early Years' Service L.Morris 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 383 settings and numbers are growing with the introduction of additional hours. For 2 year olds in Solihull 86% received funded EY places and for 3 and 4 year olds 107% received funding. The emphasis in the service is to raise standards in settings rated as less than Ofsted Good. Since the last report Ofsted has inspected and found that 82% of EY registered settings are rated as Good or Outstanding. This compares with an England rating of 85% and a West Midlands rating of 83%. There are particular challenges for quality assurance when children remain in their private settings rather than joining a school nursery. With the rapid and volatile growth in EY numbers, this is a service that is rapidly developing from a sound base but is facing challenges in quality assurance. On that basis Finance WG recommends to Forum that the central spend of £526,810 is continued for 2020-21

Solihull Family Information Service R.Ratcliffe presented the annual report on this service, which 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 2018-19 there were 1,354 enquiries)
- 2 year old funding for eligible parents (in 2018-19 there were 1,182 applications)
- Processing 3-4 year old payments including extended hours (4,880 claims)
- Free School Meals (in 2018-19 there were 3,876 applications)
- Sponsored Day Care places (in 2018-19 53 new placements were set up plus the 77 existing placements)

Information on services is on the Local Offer website as well as local social media.

This is a first class service and Finance WG recommends annual funding of £250,000

Procurement Update A table was produced with the latest information on contracts. New rules of contracts are being produced and will be circulated to schools. This will form an agenda item at the next meeting.

DWL 2/12/19