

SCHOOLS FORUM**Wednesday 24th February 2021, 2pm****via Teams online****Attendees:**

Julie Bevan (JB)	Chair
Annmarie Allchurch (AA)	Vice Chair & CE Diocese representative
Ming Zhang (MZ)	Education, Participation & Skills – Service Director
Amanda Paddison (AP)	Education, Participation & Skills – Head of Business & Access
Jo Siney (JS)	Education, Participation & Skills – Head of SEND
Louise Jenkins (LJ)	Finance (Schools and Learning) – Finance Business Partner
Rebecca Trott (RT)	Finance – Principal Technical Accountant
Helen Slater (HS)	Finance – Principal Technical Accountant
Sue Smith (SS)	Early Years and Childcare Manager
Karen Cook (KC)	RC Diocesan representative
Karen Lilley (KL)	Early Years representative
Ciara Moran (CM)	PAPH representative
Heidi Price (HP)	PAPH representative
Stephen Martin (SM)	Maintained Nursery Schools
Justine Mason (JM)	PLT representative
Matthew Bindon (MB)	Alternative Provision representative
Andrea Hemmens (ASH)	SHAP representative
Anne Thorne (AT)	SHAP Governor representative
Colin Randall (CR)	PAPH representative
Aaron Meredith (AM)	PAPH representative
Amanda White (AJW)	Clerk to Schools Forum

Apologies:

Alison Botham (AB)	Director of Children's Services
Wendy Cording (WC)	PAPH representative
Lisa Hartley (LH)	CEO PLP
Dan Roberts (DR)	PLT representative
Lisa Boorman (LB)	Secondary representative
Ben Manning (BM)	Post 16 representative
Matthew Corrigan (MC)	PLT representative
Martyn Cox (MC)	PLT representative

1. WELCOME & APOLOGIES	Action
As above.	
2. MINUTES FROM PREVIOUS MEETING ON 13/01/2021	
Minutes agreed.	
3. MATTERS ARISING	
<ul style="list-style-type: none"> ▪ Forward Plan – Sustainable Business Models for providers; The current concern is funding; we are still waiting for clarification from DfE regarding headcount and census. Many providers have had a significant drop in numbers due to the current lockdown. ▪ Due to the census, SL will be invited to the meeting in June to provide updated and new information regarding the growth rates across the City. 	AJW
4. EARLY YEARS FUNDING CONSULTATION 2021/22	
<p>In December 2020, the Department of Education (DfE) published the early years hourly funding rates for 2021/22. These rates are paid to local authorities to deliver the free early education entitlement for 2, 3 and 4 year olds.</p> <p>Plymouth will receive an hourly funding rate of £4.71 for 3 and 4 year olds, an increase of £0.06 per hour compared 2020/21 funding levels.</p> <p>Plymouth will receive an hourly funding rate of £5.36 for 2 year olds, an increase of £0.08 per hour compared 2020/21 funding levels.</p> <p>Several deductions are made to the 3 and 4 year old hourly rate to arrive at the funding rate that is paid to providers. Deductions are made for the deprivation supplement, central expenditure and the SEND inclusion fund. The proposed deductions for 2021/22 are included in the report.</p> <p>Since 2019/20, all childcare providers have received the same hourly rate for their 3 and 4 year olds, including Maintained Nursery Schools. This requirement of the Early Years National Funding Formula (EYNFF) will continue in 2021/22.</p> <p>Plymouth will continue to receive the Maintained Nursery School (MNS) supplementary fund in 2021/22 to protect funding for MNS at historic levels that existed before the introduction of the EYNFF. Plymouth's indicative allocation for April – August is £154,915.</p> <p>The allocation for September – March is conditional and may be subject to change.</p> <p>Plymouth's unconfirmed allocation for this period is £216,881.</p> <p>A consultation paper including the proposed hourly rate was sent to all early years providers on Monday 25th January 2021 inviting providers to respond to the proposals contained within the document by Monday 8th February 2021.</p> <p>3 AND 4 YEAR OLD FUNDING:</p> <p>Plymouth propose paying all providers £4.28 per hour from April 2021. This will be achieved by making the following deductions from the local authority hourly rate (£4.71):</p>	

- £0.16 for central expenditure
- £0.15 for deprivation
- £0.12 for the SEN inclusion fund

Plymouth propose increasing the hourly rate that is paid to PVI's through the SEND inclusion fund to £10 per hour, an increase of £2 compared to 2020/21 baselines. Maintained nursery schools and nursery school units will continue to receive £11.91 per hour through this fund. This increase for PVI's is affordable within the proposed budget allocation which will be achieved by deducting £0.12 from the local authority hourly rate (£4.71). The local authority will review these rates in 2021/22 and aims to pay all providers the same rate from 2022/23.

Plymouth propose allocating the full supplementary grant for April – August (£154,915) to its MNS. Both nursery schools will receive their historic lump for this period (£37.5k per nursery) and the balance of £79,915 will be distributed based on attendance levels at both nurseries during the summer 21 headcount. Distribution of this grant for September – March will be reviewed once funding allocations have been confirmed.

2 YEAR OLD FUNDING:

Plymouth propose to pass on the 2 year old hourly funding rate (£5.36) in full to providers.

RESPONSES:

Out of 192 providers, 11 responses were received; a 6% return.

Details of the responses received can be seen in paper no 4.1.

PROPOSALS:

It is proposed that recommendations set out are implemented and the following hourly rates are paid to all providers from April 2021;

	2021/22 proposed hourly rates (excluding deprivation)	2020/21 final hourly rates (excluding deprivation)	Increase / (decrease) compared to 2020/21
3 and 4 year old	£4.28	£4.21	£0.07
2 year old	£5.36	£5.28	£0.08

AGREED:

Proposals stated above agreed by Schools Forum.

Concerns expressed about the low response rate to the consultation and how to encourage a greater response for future consultations.

LJ will be looking at the funding rates of neighbouring local authorities for a better understating of the national picture to be able to lobby Central Government for an increase in the funding rates.

5. BUDGET MONITORING 2020/21

The Council receives funding for schools through the Dedicated Schools Grant. The grant funds expenditure either directly through the Individual Schools Budget (ISB) or incurred by the Council on behalf of schools. Any over or underspends on the DSG are carried forward. The distribution of the ISB element of the grant is in accordance with the schools funding formula and the overall DSG has to be approved by the Schools Forum.

The current forecast DSG underspend is -£1.318m (last forecast reported was an underspend of -£1.316m).

This is made up of the following:

Unchanged from previous forecast:

- Schools Block – underspend of -£0.413m relating to negative funding adjustments for growing secondary schools due to reduced Autumn NOR.
- Early Years – underspend of -£0.189m relating to closure of settings and reduction in SEND packages in summer term due to Covid.

High Needs Block - previous forecast (-£0.713m)

- High Needs Block – underspend of -£0.715m and relates to the residual contingency budget, a result of the additional £3m HNB funding in 2020/21. £0.600m to be ringfenced for Alternative Provision proposals

Papers A and B (5.2) give more detail regarding budget monitoring.

DSG BALANCE:

The table below shows the year end forecast DSG balance. Previous forecast year end DSG surplus was £0.514m

DSG Balance Reconciliation (£m)	
Balance b/f from 2019/20 - deficit	0.202
Forecast underspend 2020/21	(1.318)
Ringfenced for Alternative Provision proposals	0.600
Forecast year end DSG (surplus) balance	(0.516)

MAINTAINED SCHOOLS HEALTH CHECK

The financial stability of maintained schools is monitored using the budget monitoring returns. 2 maintained schools and 1 maintained nursery school ended the financial year with a deficit. Quarter 2 monitoring returns from schools show that 4 maintained schools and 1 maintained nursery school are projecting a deficit at year end. Any maintained schools forecasting a deficit position will be expected to enter into a licenced deficit agreement with the Local Authority where a 3 year plan will be produced to enable the school to eliminate their deficit within 3 years.

Short Term and Medium Term Risks and Issues

Rating	Detail	Mitigation/Further Actions
Amber	<p>High Needs</p> <p>Funding for 2012/22 confirmed at an additional £3m. However, it is likely that beyond this funding will be, at best, static.</p> <p>Plymouth needs to consider the stability and sustainability of the High Needs Block over the longer term.</p>	<p>Continuing good governance</p> <p>Implementing recommendations from BMG and further BMG work, especially on proposals for invest to save projects</p> <p>Consider future sustainability of High Needs Block</p>

6. HIGH NEEDS UPDATE

Budget Modelling Group met on 28th January 2021, and discussed the following with regard to the additional High Needs Block allocation in 2021/22:

Plymouth will receive increased High Needs Funding of £3.730m (after forecast deductions) in 2021/22 – estimated requirement for known demand and cost increases totals £1.156m. This includes allocation of Teachers Pay and Pensions Grants £0.639m, Special School pressure £0.789m (includes current level of place commissioning) and Post 16 pressures £0.458m.

Approximate values attributed to the following:

- Inclusion Transformation Proposals £0.600m
- TIS Training £0.150m
- EHE Transition Support £0.100m

Note these are yet to be confirmed and any decisions will come to Forum for approval.

This leaves approximately £1.724m available for Top Up and Place Funding increases. (In 2019/20 we had approximately £1.9m to allocate out, of which £1.1m was spent on top-up).

BMG reviewed modelling of % banding increases and recommends an initial increase of 3% estimated at a total cost of £0.474m. This would apply to Mainstream, Support Centre, Special School and Alternative Provision banded top-up funding.

This would leave £1.250m funding available for place funding. Work is currently ongoing to ascertain how Special School places could be uplifted for September 2021. More detailed modelling is being produced exploring what is possible.

Additional funding would be required to cover the place funding of £10,000, plus top-up funding. This funding would need to be sustainable going forward; this could fund approximately 40 pupils at a Band 8.

If funding is not required in full, further work will be carried out to model allocating this as top-up funding, and whether it would be most appropriate for this to be targeted to specific bandings.

The total contingency budget held for Place Funding, and the other pending proposals would be £2.178m

Details of the revised banding and the 2020/21 workplan can be seen in paper 6.1.

<p>RECOMMENDATIONS (per budget setting report)</p> <p>BMG recommends a 3% increase in top-up bandings, with the remaining funding held as a contingency budget pending decisions around other proposals. Decisions should be made by May Half Term; if there is funding unspent then consideration should be made to distributing this as a top up funding.</p> <p>AGREED:</p> <p>Recommendations stated above agreed by Schools Forum.</p> <p>Discussion regarding early years funding underspend and more transparency required for this within the HNB. This will be discuss at BMG</p> <p>Growth data will be considered at BMG to ensure the right resources at the right place.</p>	<p>7. BUDGET SETTING 2021/22</p> <p>2021/22 DSG has been notified to all Local Authorities, the allocation to Plymouth is detailed in paper 7.1. A draft budget for 2021/22 has been costed and totals £229.477m; this is a balanced budget.</p> <p>A detailed breakdown of the DSG Budget is shown in Papers A2 and B2:</p> <p>The Central Services allocation of £2.898m includes £0.428m for the ceased historical commitment for the Excellence Cluster. Forum had agreed that this should be allocated to schools, with the exception of £0.012m to fund the ESG retained duties shortfall. The remaining £0.416m will be distributed to schools through the High Needs Block, in the same manner as in 2020/21, as previously notified to Forum.</p> <p>The Central Services allocation also includes £0.707m funding for retained ESG duties, which forum has approved to allocate to the LA, along with the £0.012m mentioned above. The statutory retained duties are:</p> <ul style="list-style-type: none"> ▪ Leadership function and support within Local Authority ▪ Finance ▪ Education Welfare Service ▪ Asset Management <p>The breakdown which was provided as part of the School Consultation is included at Appendix 7.3.</p> <p>The forecast figure for deductions from the high needs block is £6.043m based on updated place funding data submitted to the ESFA.</p> <p>Plymouth has received an increase of approximately £3.957m through the High Needs Block in the 2021/22 allocation (before forecast deductions). Part of this increase is rolled in funding for Special School and Alternative Provision Teachers Pay and Pensions Grants. The LA is required to fund these schools based on 2020-21 allocations, totalling £0.639m.</p> <p>BMG recommends Forum approves a 3% increase to top-up funding banding rates for individual pupils in Mainstream, Support Centre, Special School and Alternative Provision. This has been reflected in the budget figures, but is subject to Forum approval. The cost of this estimated at approximately £0.474m – but the actual cost will be different due to new pupils/bandings through the year.</p>
---	--

BMG also recommends that the residual contingency budget of £2.178m is held pending decisions around funding for the following:

- Special School Places for September 2021
- Inclusion Transformation Proposals
- Trauma Informed School Training
- Transition Support for Electively Home Educated Pupils

BMG recommends that decisions are made by May Half Term and after this point consideration will be made about whether residual funding should be allocated out as additional banding uplift.

The High Needs Block calculation includes an import/export adjustment, which provides additional funding for LA's who have a high number of pupils from other areas. This will be updated in March 2021, and could result in a change to the total High Needs Formula.

In 2021-22 Exceptional Cohort funding will be automatically issued, based on the longstanding formula used in all previous years. Forum has previously approved an uplift of 10% to £3,300 for each pupil over the expected level per the calculation and this has been included in the budget.

DSG BALANCE

The table below shows the year end 20-21 forecast DSG balance.

DSG Balance Reconciliation (£m)	
Balance b/f from 2019/20 - deficit	0.202
Forecast underspend 2020/21	(1.318)
Ringfenced for Alternative Provision proposals	0.600
Forecast year end DSG (surplus) balance	(0.516)

RECOMMENDATIONS FOR SCHOOLS FORUM:

- To approve the 2021/22 budget, as per appendix '7.2 Paper B2 - Extended DSG budget report 2021/21'. Forum should recognise that future adjustments may change the total DSG allocated.
- To approve the current forecast 2020/21 DSG surplus balance of £0.516m is carried forward to 2021/22. There may be some changes to the final brought forward balance by the end of the financial year.
- To approve an initial 3% increase to top-up banded funding for Mainstream, Support Centre, Special School and Alternative Provision pupils.
- To hold a £2.178m contingency budget pending decisions around funding proposals including Special School places increases. If there is funding unspent then consideration should be made to distributing this as a top up funding.

AGREED:

Recommendations stated above agreed by Schools Forum.

8.	PROPOSED DATES OF FUTURE MEETINGS	
	<ul style="list-style-type: none">▪ Wednesday 16th June 2021▪ Wednesday 10th November 2021▪ Wednesday 15th December 2021	