

Schools Finance Group: Notes of meeting on Wednesday 6 January 2021

Items for DEF to Note:

Item 3 - De-delegation for Maintained Nursery Schools

- SFG recommends DEF approve the proposal for de-delegated funding rates for services to be provided to maintained nursery schools.

Item 4 – SEND 100 Project Proposals

- DEF to agree to fund the initial year of the SEND 100 projects and multiples thereof from the underspend from the Growth Fund at the end of 2020/21.
- DEF to endorse that it works with LA colleagues to enable continued progress in future years where the projects have been successful.

Item 5 – Mutual Fund

- DEF to note proposed rebate of £164k to current mutual fund members, with a remaining £450k carry forward to 2021/22.
- Premiums to be reduced by 5% from the 2020/21 levels.

Attendance

DCC

Karlien Bond (apologies)	Senior Accountant (Schools)
Adrian Fox (chair)	Head Accountant (Education & Learning)
Dawn Stabb	Head of Education & Learning
Heidi Watson-Jones (notes)	Service Support Officer (E&L)

Devon Schools Leadership Services

Primary:

Alun Dobson	Marwood Primary
Jamie Stone	Denbury Primary
Paul Walker	First Federation MAT

Secondary:

Sammy Crook	Tiverton Federation
Andrew Davis	Exmouth Community College
Lorraine Heath	Uffculme Academy

SENtient Heads

Keith Bennett	Marland School
Sarah Pickering	Mill Water School

DAG

Faith Butler	Special School Governors
Malcolm Dobbins	Primary Governors
Alex Walmsley	Secondary Governors

Early Years Providers

Dianne Roberts (apologies)	Early Years / PVI providers
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Other DCC Officers

Julia Foster	Senior Manager SEND
Katrina Harverson	Senior Accountant (Education)
Matthew Thorpe	DCC Finance

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1. Minutes of Previous Meeting – 4 November 2020

- Recovery Plan timetable to be circulated (AF)
- Month 6 report on Plus Packages to be circulated (JF)
- Minutes agreed as an accurate record.

2. DSG Month 8 Report 2020-2021

- DSG overall overspend £34m associated with continued demand on High Needs Block and growing demand for independent special school placements. Cumulative year end deficit projected at £50.36m.
- This could have a considerable impact on future education budgets within the DSG as well as impacting on the financial stability for Devon County Council. Urgent action is still required within the HNB.
- Comprehensive management plan template being worked up.
- De-delegated budgets – surpluses identified due to delay in planned redundancies (due to Covid) and forecast underspend in Maternity cover.
- SEND 100 proposals to be agreed at January DEF – to be allocated from surplus Growth Funding of £1.7m brought forward to 2021/22.
- Learning being taken from other LAs regarding their High Needs Block situations. Devon is an outlier, due to high number of children with EHCPs. Noted that some other LAs have a higher number of special schools, some have a higher level of funding and wrap around support from other services (e.g. Health) is more effective and accessible in other LAs than in Devon.
- Significant pressures identified in Devon relating to provision for children with autism and SEMH needs.
- Noted learning from recent Tribunal case resulting in a high cost independent placement, linked to lack of appropriate local wrap around adult care. Further discussion required with adult social care regarding funding implications; Tribunal legislation is only able to hold education to account. DCC legal team planning to appoint a lawyer with SEN specialism.
- Considered information available to parents on SEN and funding arrangements. SEND 100 proposals aim to increase parental confidence in mainstream provision to reduce escalation to EHCP and specialist school placements. Heads felt that in many cases EHCPs are sought as a means of unlocking access to other specialist services for individual support.
- It is felt that the impact of earlier additional support from other health services would provide improved confidence in provision and reduce the number of EHC assessment requests. Mindful of funding constraints in Health services to facilitate an earlier, more flexible response; SEND Transformation discussions will consider this.
- Considered how the shape of the curriculum put in place by schools to meet individual SEN needs is judged by Ofsted against Progress 8 curriculum measures. Considered how EHCP outcomes are articulated within the plan and can affect Ofsted judgement – **JF to follow up with SEN colleagues.**

Independent Special School Placements

- Update report noted. LA is now dealing with fewer independent providers, however individual placement costs are increasing. KS3 and post 16 learner placements increasing significantly.
- LA are officers involved in discussions with independent providers to move towards more affordable, block contracting arrangements.
- New SEMH special school to be developed for opening in Okehampton in September 2022.
- Renewed focus on Post 16 learners being prepared for adulthood, and moving away from education.

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- Noted Magdalen Court School has changed status to an independent special school. Current learners were placed into a mainstream environment; LA working with the school to consider the ongoing offer for these learners.

Action

- **JF** to consider how EHCP outcomes are articulated within the plan, and the impact on Progress 8 measures being scrutinised by Ofsted.

3. DSG Funding 2021/22 (incl. de-delegation Maintained Nursery Schools)

- Projecting £78.3m deficit; implications for future education budgets as well as the stability of the local authority.
- Minimum Funding Guarantee set at +2%.
- Basic entitlement AWP set at £14.86 per pupil following DEF decision not to transfer between blocks.
- Noted teachers' pay and pensions grants will be rolled into the national funding formula. SFG noted the position regarding pay and pensions funding for non-maintained special schools (not independent).
- High Needs Block settlement £87.26m.
- SFG considered how achievable the 2021/22 budget will be to balance. Discussed how in-year growth will be projected, and noted the budget presented is based on the funding required to achieve the provision and growth in year (£122.27m), rather than the funding expected to be received into the authority.
- SFG requested further clarity on the difference between the required and allocated funding, and the projected in-year funding gap to illustrate how the budget being set is not being met by the HNB settlement. **KH/AF to provide additional detail.**
- Noted increases in Early Years block funding.
- Pupil premium funding rates to remain the same as for 2020/21.
- Noted early years concerns around funding linked to October 2019 census or attendance expectations linked to continued opening of nursery provision in primary schools. Concerns have been escalated to DfE.
- Understand that some other LAs are not using headcount funding – noted issues around funding of alternative places where the child's registered provision is closed due to Covid.
- Concerns to be escalated with DfE re. impact on special school funding based on January census headcounts, mindful of impact of lockdown on on-site school attendance.

De-delegation for maintained nursery schools

- SFG noted proposals for de-delegated funding rates for services to be provided to maintained nursery schools.
- Noted that Ethnic Minority Achievement as well as Gypsy Roma Traveller Achievement will not be included in this arrangement as these services are not provided to the early years age range. **AF to amend DEF proposal.**
- Reductions have been made to funding rates where appropriate, while still allowing for surpluses within specific budgets.
- **SFG agreed to recommend the amended proposal for DEF agreement.**

Action:

- **KH / AF** to provide additional clarity to illustrate the HNB in year funding gap
- **AF** to amend proposal to DEF relating to list of de-delegated services to maintained nurseries.

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4. SEND 100 Project Options

- Further costings had been prepared for SFG consideration as requested by DEF for the following proposals:
 - **SEN Support Service**
 - **SEN Outreach Support Service**
 - **Babcock: SEN support service**
 - **Helpline support**
 - **Increased online teacher training CPD modules**
- Noted that year 1 funding is expecting to be met by identified Growth Fund surplus of £1.7m. Any ongoing commitment beyond year 1 will need to be agreed; SFG noted that majority of savings have been projected in years 2 and 3. Mindful of difficulty in quantifying savings from implementing further CPD training and SEN support helpline expansion.
- SFG considered how projected savings are based on identifying the most appropriate learners to be targeted for intervention. In-year monitoring of the impact on the children's destinations will be important to demonstrate cost savings and determine ongoing investment. **DS/JF to provide additional detail on impact monitoring for DEF consideration.**
- Considered how the EHCP Review process will be used to identify the target group by highlighting appropriate additional intervention which can be put in place immediately, whilst plan is being amended.
- Ongoing agreed investment for further years to be represented as one of the mitigating solutions within the HNB recovery plan.
- SFG agreed that a minimum 3-year investment proposal should be considered with additional proposals for funding sources in years 2 and 3. **DS/AF Draft report to be circulated to SFG members prior to submission to DEF.**
- Formal SFG recommendation to DEF will need to be a one-year agreement, based on deployment of identified Growth Fund surplus, but, should the model evidence savings, would seek to secure investment beyond first year based on an invest to save model.
- SFG felt that a commitment from Babcock DCC and special schools for an initial one-year project would be important.

Action

- **DS/JF** to provide additional detail on SEND 100 impact monitoring for DEF report.
- **DS/AF** to provide additional proposals for sustainable investment in years 2 and 3
- Amended report for DEF to be circulated to SFG members for agreement prior to circulation to DEF.

5. Mutual Board and Appeals

- Noted projected underspend of £613.9k prior to any rebates.
- Proposed rebate of £164k to current mutual fund members, with a remaining £450k carry forward to 2021/22.
- Recommendation to be amended as should read: 'Propose to reduce the premiums by 5% from the 2020/21 levels as stated in Option 2, while also allowing a rebate to members to address the current Fund surplus.'

6. CONFIDENTIAL PART 2 DISCUSSION

Learner Services Contract Recommissioning

- SFG was updated on the current position.

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7. Any Other Business

Items for January DEF:

- SEN 100 report (with addition detail on monitoring impact and formal recommendations on further years' investment)
- Month 8 DSG report
- Funding proposal for 2021/22 (with clarity on in-year deficit)
- De-delegation for maintained nursery schools.

Next meetings:

Wednesday 3 March 2021 (9.15 – 12.45pm) – tbc – possibly Larkbeare Knightshayes

Wednesday 26 May 2021 (09.15 – 12.00 – venue TBC)

Wednesday 14 July 2021 (09.15 – 12.00 – venue TBC)

Wednesday 8 September 2021 (09.15 – 16.00 – venue TBC)

Wednesday 3 November 2021 (09.15 – 12.00 – venue TBC)

Wednesday 5 January 2022 (09.15 – 12.00 – venue TBC)

Wednesday 2 March 2022 (09.15 – 12.00 – venue TBC)