

Schools Finance Group: Notes of meeting on Wednesday 3 March 2021

Items for DEF to note:

- **Item 4 – SEND / High Needs Block**
DEF to note the preparation of the Dedicated Schools Grant Deficit Management Plan currently being developed to mitigate the current position with the High Needs Block.
- **Item 5 – SEND 100 Project**
DEF to note that a Project Steering Group has been established which is currently finalising terms of reference for the group and drafting a job description for a Project Lead role.
- **Item 6 – Carry Forwards**
SFG recommends to DEF that the reported Carry Forward position be endorsed for Cabinet approval.
- **Item 8 - Education & Inclusion Services Recommissioning**
DEF to note the proposal considered at Cabinet on 10 March regarding future delivery of Education and Inclusion Services.

Attendance

DCC

Karlien Bond	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

Alternative Provision:

Rob Gasson	Wave Multi Academy Trust
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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

Katrina Harverson	Senior Accountant (Education)
Angie Sinclair	Finance

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1. Minutes of Previous Meeting – 6 January 2020

- **JF** to consider how EHCP outcomes are articulated within the plan, and the impact on Progress 8 measures being scrutinised by Ofsted.
- All other actions complete.
- Minutes agreed as an accurate record.

2. Growth Fund

- Noted current position.
- Holistic review of falling rolls criteria to be undertaken to ensure central government guidelines are fully taken into account. No schools were eligible for falling rolls funding this year.
- DEF agreed funding at 20 Jan meeting of £1.5m from growth fund surplus
- Top-slice from DSG confirmed.
- Noted new schools coming online.
- Noted some movement since last report due to increased clarity on pupil numbers and timeframes for new school projects. (SW Exeter Free School expected to be completed ahead of schedule).

3. DSG Month 10 monitoring

- Overall DSG overspend at month 10 at £30m. Increase of £204k from Month 9.
- Expecting DfE to request information about the DSG deficit management plan as their intention to contact LAs with significant deficits.
- High Needs Block in-year deficit increasing.
- Recoupment arrangements with other LAs being reviewed.
- Saving of £250k from month 9 due to a reduction in costs and number of placements, and some changes to joint funding arrangements.
- Bid to seek support for improving mental health and wellbeing as a result of Covid-19
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ACTION:

- **AF** to circulate high level summary of high needs recovery plan strategy to group.

4. SEND/ High Needs

Independent placements monitoring

- Report circulated to the group.
- Noted ASD, SEMH, and Speech & language difficulties continue to be the prevalent needs which will need to be targeted.
- Conversations ongoing with Health around earlier escalation of diagnosis and support for particular needs.
- SFG requested information about high cost placements due to need identified as a direct result of Covid and whether additional funding is available to address these needs. **JF** to provide response

High Needs funding formula consultation

- Process looking at formula factors within the High Needs Block
- Concern was expressed about the baseline of 2017/18 as not representative of the current spend profile in high needs.
- Suggested the LA provide a proforma response which schools could submit

DSG deficit management plan

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- Dedicated Schools Grant Management Plan currently being drafted and will be shared following sign-off. High level summary has been fed into medium term finance strategy.
- DS explained that the wider SEND Transformation Programme will consider how Education, Health and care partners can wrap services around schools at an earlier stage to provide effective intervention support and reduce requirement for EHCPs to be in place in order to meet need. SEN deficit in other LAs with wrap-around services are comparatively much lower.
- Additional 300 special school places now coming online which will contribute to reduction of placements in the independent sector.
- DfE have issued updated criteria specifying that DSG may not be used to meet health and care needs which are not related to education.
- Considered management of the deficit and accountability of the LA and the Schools Forum for the recovery plan. AS explained the process of the LA holding a negative reserve relating to the 2019/20 deficit. Noted current 3-year arrangement for LAs to continue to hold an 'unusable reserve' with the expectation that the position will be improved during that time. Anticipated that the recovery timeframe in Devon will be longer.
- SFG sought reassurance that the deficit position will not fall to schools to fund in the longer term. Clear dialogue at DEF and communication of the long-term impact.
- Support of schools in engaging in the SEND Transformation programme will be vital to the success of a longer-term recovery plan. Reduced confidence in schools' ability to adapt practice to meet SEN need can influence a parent's decision that may not be required.
- Considered the perception of the £20m currently in maintained school underspend balances within the DSG.
- Considered risk management of the HNB recovery plan; risk register is currently being drafted.

Action:

- **JF** to provide response around additional funding to meet needs identified as a result of Covid.
- **AF** to provide schools with a draft response from the LA to assist in completing the HNB funding formula consultation for 2022-23.

5. SEND 100 Project update

- Steering Group has now met with good representation across DEF, SFG, schools and LA/Babcock, to be chaired by Rob Gasson.
- Terms of Reference to be finalised.
- Job Description to be developed for Project Lead. Post to be funded by seed funding for SEND 100 scoping, as agreed at January DEF. Hoping for a secondment arrangement to expedite the recruitment process.
- Project coordinators from 3 core projects to consider the alignment of the projects to ensure no duplication and identify how different pieces of work will slot into the individual child's journey.

6. Carry Forwards 2020-21

- SFG noted the surplus carry forward requests to be confirmed and finalised during the closedown process.
- Maintained mainstream and special school budgets will automatically carry forward, with schools being asked to provide explanations for any exceptional amounts.
- SFG agreed in principle for the carry forward proposal to be forwarded to DEF

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7. Mutual Fund Board

- Mutual fund claims had dropped in the first part of the year, with a significant increase towards the end of the financial year with £644k total spend forecast. £1.2m balance brought forward from 2019/20.
- Rebate planned at year end, and premiums to be reduced to address the predicted ongoing surplus.
- SFG requested data to evidence the effect of Covid on staffing levels (e.g. longer-term impact of long-Covid symptoms). Noted that Covid was not specified as a claim category.
- Data over the year clearly shows an increase in absence due to stress, which should continue to be monitored.

ACTION:

- **KB** to look at claim data to determine if any evidence of Covid impact on staff absence is available.

8. Education & Inclusion Services Recommissioning

- Noted updates following consultation processes.
- Final proposals to be considered by Cabinet on 10 March with a view to ensuring ongoing sustainability of all current services alongside promoting an effective SEND Transformation programme. Cabinet report proposes bringing all services in-house under the Education and Learning Service and that **in the event that the LLP is wound up or otherwise ceases to provide the traded services that the new arrangements for the Education and Inclusion Services will ensure the traded services are not impacted.**
- No cost savings are proposed, but will provide an opportunity for fully integrated SEND services, and different delivery models for school improvement support.
- If approved, all service staff would fall under TUPE arrangements for transfer to DCC. DCC Education and Learning staff and Babcock staff have been informed of the proposal.
- The current contractual arrangement may end between March 31st 2022 and March 31st 2023.
- Agreed that communication to schools will be planned for circulation after the Cabinet decision is known.
- Keen for schools to continue to be involved in the strategic planning

Cabinet Report



Education and
Inclusion Services C:

9. Any Other Business

- **Consultation on national funding formula sparsity factors** – submission due by 9 April. Proposing to increase the level of sparsity funding using road distances rather than as the crow flies. An additional £2.2m could be allocated to Devon using the proposed modelling.
- **Free School Meals Take-up** – Devon to roll out Holiday Activities and Food programme over Easter and Summer holidays for children with FSM. Keen to ensure that as many families as possible are able to access the holiday provision through take up.
- Noted DCC have put in place process to check for early years FSM eligibility which will enable ongoing eligibility checks for those children.

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- Communications about the holiday provision will include a prompt for eligible parents to ensure they are signed up for free school meals.

Items for 17 March DEF:

- Month 10 DSG report, Carry Forward, highlighting consultation on Sparsity Funding
- Cabinet paper for background information re. Education & Inclusion
- DSG Deficit Management Plan
- Consideration of ongoing risk in planning.

Next meetings:

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)