

Schools Finance Group: Notes of meeting on Wednesday 2 March 2022

Items for DEF to note:

- **Item 3 – Carry Forwards 2021-22**
SFG recommended that DEF approve the carry forwards as outlined. SFG requested that only maintained school year end balances over 5% are scrutinised, aligning with good practice expected of Academy schools.
- **Item 4 – Growth Fund**
Review of current level of DSG topslice for growth fund, and growth fund application criteria recommended by SFG.
- **Item 6 – High Needs Funding Group**
- SFG recommend that DEF approve establishment of a High Needs Funding sub-group. This sub-group would have a key focus on taking a proactive role in budget recovery planning both strategically and operationally, alongside the DfE safety valve intervention programme.
- Draft terms of reference for a focused High Needs Funding Group were discussed.

ATTENDANCE

DCC

Mat Thorpe (chair)	Senior Assistant County Treasurer
Adrian Fox (apologies)	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 Trust

Secondary:

Sammy Crook	Tiverton Federation
Andrew Davis (apologies)	Exmouth Community College
Lorraine Heath	Uffculme Academy
Rob Gammon	The King's School

Alternative Provision:

Rob Gasson (apologies)	Wave Multi Academy Trust
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Special Schools

Keith Bennett	Marland School
Sarah Pickering (apologies)	Mill Water School

DAG

Faith Butler	Special School Governors
Alex Walmsley	Secondary Governors
Adrian Hines	Primary Governors

Early Years Providers

Gemma Rolstone	Puffins Childcare
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Other DCC Officers

Jackie Ross	<i>Interim Deputy and SEND Strategic Director</i>
Julia Foster	<i>Senior Manager SEND</i>
Katrina Harverson	<i>Senior Accountant (Education)</i>
Tracey Jones	<i>SEND 100 Project lead</i>

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Hannah Smart

ACE Tiverton Special School (observing)

Section One: SCHOOLS FINANCE GROUP

1. Minutes of Previous Meeting – 5 January 2022

- Feedback from schools regarding Resource Bases being considered including criteria for placements, funding and physical space requirements.
- Julia Foster / Paul Walker still to meet to consider resource base criteria and RSC decision processes.
- Minutes agreed as an accurate record.
- Noted that additional extraordinary meetings had taken place to discuss DSG Management Plan and safety valve submission to DfE, and establishment of a High Needs Funding Group.

ACTIONS:

- **JF / PW** to meet to consider resource base placement criteria and RSC approval processes.
- **JF** to provide data on the number of children moving to an EOTAS arrangement from mainstream schools.
- **(Action from January DEF): JF** to provide update to SFG on the monitoring of EHCP plus packages.

2. DSG Month 10 Report 2021-22

- Light touch monitoring of month 10 due to focus on submission of DSG management plan to DfE.
- Considered the ongoing impact on budget position of the increase in the use of Plus Packages in SEN mainstream, and the processes in place to ensure appropriate allocation of funds. JF confirmed that the SEN team has begun analysis of Plus Package allocations; to be reported to next meeting.
- Noted increase in placements into independent provision from mainstream and maintained special schools. KH confirmed expected growth has been built into year-end forecast.
- Noted SFG concerns around the significant level of unrealised savings linked to delay in management action project starts.
- Considered risks around continued increased demand within the high needs block and slippage within the management action plan due to resource bases not opening and delay in SEND100 project starts.
- SFG discussed concerning cycle of planned savings being unrealised on an annual basis, however recognised the aspirational nature of the management action plan. It is anticipated that the High Needs Funding sub-group will work differently together to consider the renewed planning, scrutiny and challenge, and DfE requirements on the LA to deliver targets through Safety Valve Intervention programme.

3. Carry Forwards from 2021-22

- The group considered DSG carry forward requests presented.
- Schools are being asked to explain surplus and deficit balances at year end. SFG requested that only maintained school balances over 5% are scrutinised, aligning with good practice expected of Academy schools (noted average academy carry forward of 6.6%).
- Considered surplus balance linked to SEND 100 project not started. SFG recommended that this is ringfenced to continue SEND100 work in the new financial year.

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- SFG were reminded of impact of current recruitment challenges on school balances where there are significant level of unfilled vacancies.
- SFG recommended that DEF approve the carry forwards as outlined.

4. Growth Fund

- SFG noted the current growth fund position.
- Noted DEF had approved Growth Fund surplus be used to fund SEND100 projects, but noted that surpluses seem to be increasing overall.
- SFG considered whether funding could be usefully allocated to providing security around contract extensions within SEND100, or for Resource Bases, mindful that DfE will now be involved in such funding decisions.
- SFG discussed the possibility of further scrutiny of calls on the growth fund to ensure an appropriate level of topslice is applied.
- Noted that Devon's growth fund criteria are historically quite rigid due to limited funding being available initially, and that some schools currently experiencing significant growth (30+ pupils) do not meet thresholds to trigger receipt of growth funding under the current criteria.

ACTION:

- **SOCA / SFG** to consider review of growth fund criteria

5. Mutual Fund Board and Appeals

- Noted current surplus balance position.
- High claim rates recently experienced are now beginning to reduce.
- 2022-23 increase in premium of 5% for teaching and non-teaching posts to be actioned.

6. Any Other Business

- **Noted non-domestic rates** likely to be billed to schools via Districts in new financial year – understand that not all Districts have signed up to new arrangements.
- **DEF / SFG actions** – need to ensure that actions from DEF and SFG are picked up and reported further appropriately.

ACTIONS:

- **KH** to seek further information on NDR for circulation to schools to assist them in budget planning prior to financial year end.

Section Two: HIGH NEEDS FUNDING GROUP

6. Terms of Reference

- At previous extraordinary SFG discussions, members had agreed need to establish a discreet High Needs Funding sub-group which would enable a focus on taking a proactive role in the high needs budget recovery planning both strategically and operationally, alongside the DfE safety valve intervention programme.
- Agreed that the group would be referred to as the 'High Needs Funding Group'.
- SFG members had previously proposed that Schools Finance Group meetings would have a 'Section 2' to accommodate high needs funding group discussions.

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- Agreed to use term 'school leaders' rather than headteachers. Agreed that Early Years and Post-16 involvement important.
- Considered how this group will link with SEND Transformation programme. DS reiterated corporate recognition of the need for effective communication of SEND transformation progress to school leaders.
- Recognised that input will be required from time to time from other areas across SEND (e.g. SEND Partnership Board, SEND Transformation) to ensure join-up.
- More in-depth reference to regional benchmarking data (Section 251 data) will be helpful to compare Devon's situation to statistical neighbours and exemplars of best practice. Agreed that a session on the high needs LA benchmarking tool at a future meeting would be helpful.
- Members will agree to set agenda and invite external input as appropriate and required.
- Group considered governance and reporting arrangements for the High Needs Funding Group through the Schools Forum, and links to the Schools Finance Group.
- Agreed that a summary report will need to be collated to provide an update to DEF on work undertaken by the HN Funding Group between Schools Forum meetings.
- DSLS to consider (at 10/3 meeting) Heads who may be available to provide representation on a regular fortnightly basis.
- Plan of expected meeting commitments over the next term to be prepared
(Action: MT/HWJ)

ACTION:

- Plan of expected meeting commitments over the next term to be prepared
(MT/HWJ)
- **JR (HWJ)** to consider comments and suggestions and re-circulate draft terms of reference document

7. DSG Management Plan

- Intensive discussions have taken place with DfE, Finance and SEND to move through the Safety Valve intervention programme.
- Devon proposals around deficit management and move to in-year balance have been discussed with DfE and subsequently revised to accelerate savings trajectory.
- The group considered the revised budget projection submitted to DfE.

8. Programme Update

- The group noted 8 project areas for focus of activity within the LA teams and alongside other partner organisations:
 - Independent (& non-maintained) Sector (16-18 Transition to Adulthood – yrs 10&11/Post-18)
 - Team Around the School
 - Enhance Capacity of the 0-25 Team (Statutory Assessment Team)
 - Special Teachers Curriculum
 - Transformation
 - Outreach (SEND 100 project)
 - Special Schools
 - Resource Bases
- Discussed escalation of use of independent sector provision and the impact on the high needs budget. Addressing this is reliant on early SEN

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support for children with SEN within mainstream and sufficiency of maintained special school places for children with more complex needs.

- Also need to ensure the inclusion of intervention and SEN support at Early Years settings prior to children starting school. **JR and GR** to discuss further.
- Proposal has been made to share deficit costs between DfE and DCC. Also seeking support from DfE to support intervention costs and funding to support capital expansion areas.
- High Needs Funding Group will continue to receive detailed monitoring reports of the effectiveness of the management plan, and exception reporting.
- The Group requested sight of the revised DSG management plan and summary powerpoint prior to next meeting of the HN Funding Group.

ACTION:

- **JR and GR** to discuss inclusion of intervention and SEN support at Early Years settings prior to starting school.
- **JR/MT** to circulate revised DSG management plan and summary powerpoint.

Next meetings:

- **Monday 6 June 2022** (14.00 – 16.50 – venue TBC)
- **Monday 11 July 2022** (15.00 – 17.50 – venue TBC)
- **Wednesday 14 September 2022** (09.15 – 12.00 – venue TBC)
- **Wednesday 9 November 2022** (09.15 – 12.00 – venue TBC)
- **Friday 6 January 2023** (09.15 – 12.00 – venue TBC)
- **Wednesday 8 March 2023** (09.15 – 12.00 – venue TBC)