

Schools Finance Group: Notes of meeting on Wednesday 14 September 2022

Items for DEF to note:

- **Item 3 – Mutual Fund Board**
Following the increase in claims during the Pandemic, it was noted that levels now seem to be stabilising.
- **Item 5 – Support for incoming refugees**
- SFG noted the need for additional focus on resource support for Early Years children to prevent future escalation of need and agreed this should be actioned immediately.
- SFG agreed in principle to the formal addition of Exceptional Growth Fund criteria to ensure support is made immediately available to schools managing the additional needs of incoming pupils coming into the county via non-funded government relocation schemes.

ATTENDANCE

DCC

Mat Thorpe - **(Apologies)**

Adrian Fox (chair)

Jackie Ross

Heidi Watson-Jones (notes)

Senior Assistant County Treasurer

Head Accountant (Education & Learning)

Interim Deputy and SEND Strategic Director

Service Support Officer (E&L)

Devon Schools Leadership Services

Primary:

Alun Dobson

Jamie Stone

Paul Walker **(Apologies)**

Marwood Primary

Denbury Primary

First Federation Trust

Secondary:

Sammy Crook

Rob Gammon

Alan Blackburn

Tiverton Federation

The King's School

Uffculme School

Alternative Provision:

Rob Gasson

Wave Multi Academy Trust

Special Schools

Keith Bennett

Sarah Pickering

Marland School

Mill Water School

DAG

Faith Butler **(Apologies)**

Alex Walmsley

Adrian Hines

Special School Governors

Secondary Governors

Primary Governors

Early Years Providers

Gemma Rolstone

Puffins Childcare

Other DCC Officers

Karlien Bond

Senior Accountant (Schools)

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SCHOOLS FINANCE GROUP

1. Minutes of Previous Meeting – 11 July 2022

- AWPU recovery – to be discussed at DEF for implementation from 22-23 academic year
- DfE consultation closes shortly re. Early Years funding
- Minutes agreed as an accurate record.

2. DSG Monitoring – month 4

- Projected in-year overspend increase to £34.4m.
- Noted reduction in High Needs Block savings achieved linked to independent school placement extensions as a result of Covid and planned new resource base support centres not realised.
- Confirmation of the Safety Valve programme is still to be received from DfE, following delays at government level. AF outlined the Safety Valve programme mechanism.
- The group discussed concerns around the increasing in-year deficit position.
- Noted revised overview of projected savings for the current financial year. Alternative options are being considered to ensure in-year savings targets are met.
- SFG noted risks around unavoidable rising energy costs, slippage in projects due to potential changes in policy direction following introduction of new Education and Learning leadership and ongoing demand for SEN support and placements. JR outlined measures put in place within the SEN 0-25 team to increase capacity to manage volume of EHC assessment requests, annual reviews and placements.
- Considered current recruitment risks associated with the opening of new special school provision, which may impact on projected savings.
- Noted the cap of 2.75% increase in independent settings costs to match rises for maintained provision.
- Concerns were shared around risks associated with ongoing increase in a wide variety of high needs costs regardless of any projected decrease in demand for EHCPs. Heads shared that schools continue to struggle to meet then needs of learners with additional needs from the funding that is available to them.

3. Mutual Fund Board

- Following the recent increase in claims during the Pandemic, the levels now seem to be stabilising.
- In-year surplus of £22k projected. Noted premium was increased for 2022-23.
- SFG discussed the possibility of tracking claims specifically associated with long Covid.

ACTION:

- **Finance** colleagues to track data around claims from 2021 - 2019

4. Support for Ukrainian refugees

- SFG considered the mechanism for providing support for incoming Ukrainian students prior to confirmation of funding through government programmes.
- Initial quarterly payment of £547k has recently been received by DCC through Homes for Ukraine, allocated on a variable rate according to age. Funding has already been allocated to schools, family learning

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programmes, additional admissions capacity and HAF programme. The full year effect is expected to be circa £2.4m.

- To date this has been dealt with locally in principle as 'exceptional growth', funded through the Growth Fund.
- SFG agreed in principle to the formal addition of Exceptional Growth Fund criteria to ensure support is made immediately available to schools managing the additional needs of incoming pupils coming into the county via non-funded government relocation schemes.
- SFG noted that Ukrainian children are attending schools spread across the whole county, adding complexity to provision of support to individual schools and families. Centrally commissioned resources have been secured including family learning and a team of Ukrainian teachers.
- Noted EMTAS team will be working with Ukrainian families to evaluate the effectiveness of support provided, including therapeutic and trauma support which it was felt should be an expected area of spend for spend.
- The government requires LAs to consult with schools around the appropriate dissemination of Homes for Ukraine funds – to be considered at next SFG.
- Noted need for additional focus on resource support for Early Years children to prevent future escalation of need. SFG were supportive of this to be actioned immediately.
- SFG had previously requested a review of Devon Growth Funding criteria, in the light of an ongoing increase in surplus, to ensure that the threshold levels continue to be appropriate. The group noted that the current national funding formula consultation includes a review of growth allocation criteria.

Post Meeting note (Simon Niles):

At the meeting last week, I was tasked with reviewing the growth fund methodology as there was a presumption the fund was carrying a significant balance and maybe the criteria was too rigid.

However, I now understand there are two events meaning this work is probably abortive:

- Change in funding methodology that will net off pluses and minuses rather funding the growth and ignoring the surplus;
- A proposal to again transfer funds from the Growth Fund.

I am therefore not planning to undertake any review other than to look at other LAs' growth funds unless SFG members are able to identify schools who are concerned about the methodology. At this time I feel it would be unhelpful to undertake work and remodelling without a clear steer.

ACTION:

- **Next meeting** to consider required consultation with schools around allocation and use of Homes for Ukraine funding (**Simon Niles**)

5. Items for DEF / Any Other Business

Laser Energy Costs

- Considered energy costs included in Laser Energy contract for maintained schools which are set to increase by 86% electricity and 146% gas.
- Noted ongoing expectation that maintained schools continue to set a realistic budget, but clarity on consistency of approach across the LA and schools, alongside consistent support from finance consultants will be important.

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Next meetings:

- **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)