

# Nottingham City Council

## Schools Forum

Minutes of the meeting held remotely and livestreamed on YouTube on 28 June 2022 from 1.45 pm - 2.20 pm

### Membership

- |                           |   |                                  |
|---------------------------|---|----------------------------------|
| ✓ Kerrie Fox (Chair)      | ) | - PRUs                           |
| ✓ Paul Burke (Vice Chair) | ) | - Secondary Academies            |
| ✓ Kerrie Henton           | ) | - AP Academies and Free Schools  |
| ✓ Debbie Simon            | ) | - Early Years PVI                |
| ✓ Judith Kemplay          | ) |                                  |
| ✓ Terry Smith             | ) | Maintained Primary Head Teachers |
| Alison Tones              | ) |                                  |
| ✓ Patricia Lewis          | ) |                                  |
| Laura Patel               | ) | - The Nottingham Nursery         |
| Meeta Dave                | ) |                                  |
| ✓ Tim Jeffs               | ) | Primary Academies                |
| Rob Perkins               | ) |                                  |
| ✓ Andy Smith              | ) |                                  |
| David Tungate             | ) | Secondary Academies              |
| ✓ Bob White               | ) |                                  |
| ✓ Phil Willott            | ) | - Special Academies              |
| ✓ Sheena Wheatley         | ) | - Trade Unions                   |
| Lisa Wilson               | ) | - 14-19 Education                |

✓ indicates present at meeting

### Colleagues, partners and others in attendance:

- |                   |   |                                      |
|-------------------|---|--------------------------------------|
| Julia Holmes      | ) | Senior Commercial Business Partner   |
| Kathryn Stevenson | ) |                                      |
| Mark Leavesley    | ) | - Governance Officer                 |
| Nick Lee          | ) | - Director of Education              |
| Janine Walker     | ) | - Head of SEND and Vulnerable Pupils |

### 31 Apologies for Absence

- |               |   |                          |
|---------------|---|--------------------------|
| Meeta Dave    | - | Radford Academy          |
| Laura Patel   | - | Nottingham Nursery       |
| Rob Perkins   | - | Milford Academy          |
| Alison Tones  | - | Rufford Primary          |
| David Tungate | - | Nottingham Girls Academy |
| Lisa Wilson   | - | Nottingham College       |

### 32 Declarations of interests

None.

### **33 Minutes**

The Forum agreed the minutes of the meeting held on 01 March 2022 as a correct record and they were signed by the Chair.

### **34 Dedicated Schools Grant 2021/22 - outturn**

Julia Holmes and Kathryn Stevenson, Senior Commercial Business Partners, presented the report, which detailed the 2021/22 Dedicated Schools Grant (DSG) outturn position and the updated reserve balance and associated commitments.

It was stated that:

- i. the 2021/22 initial schools budget, as reported at Schools Forum on 25 January 2021, was £310.745m. The Education and Skills Funding Agency (ESFA) made in-year funding adjustments to the allocation of a reduction of £2.530m, resulting in a final budget of £308.215m for 2021/22;
- ii. the underspend of £0.177m on the pupil growth fund in 2021/22 was mainly due to the remaining balance on the Schools Block (£0.101m), that could not be equitably allocated to all schools through the NFF during the budget process, was allocated to the pupil growth fund. The remaining £0.076m was the balance on the contingency built into the budget that was not required. This approach was set out in a report to Forum on 01 December 2020 'Proposed pupil growth allocation for 2021/22';
- iii. the underspend of £0.019m on the trade union cover budget was mainly due to one union not taking up all its allotted allowance in 2021/22. The underspend will be taken into account when calculating the rate per pupil and lump sum per school for maintained schools and academies in the financial year 2023/24 if de-delegation continued in this financial year;
- iv. the overall variance on the Central Schools Services Block was an underspend of £0.212m. This underspend was mainly due to Virtual School funding being substituted by funding from the Pupil Premium Plus Grant (PPPG) and a vacancy in the safeguarding training team. From the financial year 2022/23, the DSG was no longer contributing to the Nottingham City Safeguarding Children Partnership due to the reduction in historical commitments funding. This reduction in funding was to be met by the Local Authority, who had allocated pressure funding of £0.109m to meet the contribution previously funded by the DSG during 2021/22;
- v. the ESFA introduced a one-off variation to the early years funding arrangements in response to the pandemic. Additional termly early years' data collection arrangements were put into place for LA's to submit pupil count data for census weeks in the Summer and Autumn terms 2021 to be used alongside the usual January 2022 census. In normal circumstances funding for 2021/22 would have been based 5/12 on the January 2021 census and 7/12 on January 2022;
- vi. the figures for early years funding (in table 4 of the report) did not yet reflect the final 2021/22 early years funding adjustment relating to the Spring term 2022, which would be processed by ESFA in July. It was estimated that this adjustment

would increase the funding provided for 2 year olds by £0.057m, and decrease the funding provided for 3 & 4 year olds by £0.125m. The net clawback of funding would be taken from the early years' contingency in the DSG reserve;

- vii. the underlying position once the July adjustments were taken into account was an over-spend of £0.074m on 2 year olds and an over-spend of £0.149m on 3 & 4 year-olds. An over-spend was anticipated for 2021/22 as a result of the temporary funding arrangements. In September 2020, a £0.12/hour 3 & 4 year-old base rate increase was implemented, reflecting the fact that the discrepancy in the usual count arrangements (i.e. January counts being used to fund the LA, but termly counts used to fund providers) had generated a trend of under-spends. Without the benefit of the usual count arrangements to offset this rate increase, the LA had overspent on 3 & 4 year olds for the first time. The early years' contingency in DSG reserves was available to support this one-off pressure and the ESFA had confirmed that the usual funding arrangements were being resumed for 2022/23;
- viii. there would also be a final 2021/22 adjustment for Early Years Pupil Premium, although the data was not readily available to estimate the precise impact of this;
- ix. there had continued to be significantly fewer applications for early years Disability Access Funding compared to the DfE projections underpinning the funding level. This underspend had been ring-fenced in reserves as there was an expectation from the DfE that this would be spent to support inclusion of pupils with SEND;
- x. the underspend on the SEN Inclusion Fund (SEN IF) was anticipated and had been ring-fenced in reserves, ready for distribution to settings to help support heightened speech, language and communication needs. Schools Forum were consulted on this at the meeting on 25 January 2022, along with revised eligibility criteria for the SEN IF, which would eliminate any future significant underspends;
- xi. early years central expenditure was underspent in 2021/22. There was an Early Years Teaching and Learning vacant post during this period, which had been appointed to from September 2022. In addition, there were vacancies in the Family Information Service, resulting in a £0.031m reduction in the recharge from that team. Early years support workers were drawn in to help provide cover. There was no recharge for property related costs in 2021/22, saving the service £0.047m. Other non-pay costs were underspent in part due to delivery of work, training and events virtually, rather than in person, with reduced spend on room hire, printed resources and staff travel;
- xii. as an LA receiving ceiling level gains under the High Needs National Funding Formula, the DSG High Needs block allocation after recoupment was £5.4m higher in 2021/22 than 2020/21;
- xiii. an extra £2.398m was budgeted in 2021/22 for supporting high needs pupils in mainstream schools, following on from a £1.166m increase in 2020/21. Linked to the SEND strategy, a new High Level Needs resource allocation system was implemented in January 2021 for primary aged children. Actual allocations were £1.316m higher in 2021/22 than the previous year, but the full budget increase was not immediately required, leading to a £1.277m underspend in this area. Rollout was being phased in due to the level of consultation required at each stage - the new approach was rolled out for nursery aged children from January 2022, so

this only had a part-year impact. Work would commence on reviewing High Level Needs for the secondary phase in Summer 2022;

- i. the most significant area of underspend related to funding for provision relating to pupils excluded or at risk of exclusion. After significant investment in the City's Inclusion model approach, overall spend was now finally starting to fall in this area and was £1.222m lower than in 2020/21. During the year, the remaining 5 City secondary schools across two Trusts signed up to the Inclusion SLA from January 2022, meaning all City secondary schools were now participating. As such, all City secondary schools receive devolved funding to support pupils at risk of exclusion and were committed to paying full-cost recovery charges if they made permanent exclusions beyond a certain level.

Detailed assumptions underpinning the budgets in this area were:

- permanent exclusions over the period of the financial year were only 10 (8%) under the budget assumption (114 v 124) but the financial impact hinged on which schools had excluded and, crucially, whether the school was signed up to the City's inclusion model;
  - there were 31 less exclusions than forecast for secondary schools outside of the inclusion model (not signed up at the start of the financial year), and 31 more from schools signed up to the inclusion model;
  - the budget assumptions on permanent exclusions that drove the pupil numbers underpinning the Pupil Referral Unit (PRU) indicative budgets did not include any exclusions above allowances because, in that event, the full cost recovery (FCR) mechanism kicked in and funding was recovered from the devolved funding allocation, which was then used to offset the resulting overspend on PRU provision. This had occurred in 2021/22 and £0.683m had been recovered in FCR charges in 2021/22;
  - the LA held a £0.359m AP contingency budget to cover the potential costs of schools excluding up to the level permitted by the inclusion SLA, where this had not been assumed within the core budget assumptions. However, this was not required as these schools continued to have very limited permanent exclusions, below the level of their allowances. Over 80% of permanent exclusions from schools participating in the inclusion model were from 5 schools;
  - there was an underspend of £1.110m associated with top-up funding for provision costs at Denewood and Unity learning centres. For the costs associated with PRU provision, the timing of exclusions was relevant, with exclusions being 19 less than assumed in the summer term but 6 more than planned in the Autumn/Spring. This resulted in significantly less days of provision being required in the period. Over the course of the financial year there were 25 less permanent exclusions than budgeted at KS4, but 15 more than budgeted at KS2/3. As a result, the majority of the underspend on PRU provision related to the Unity KS4 PRU;
- ii. the high needs funding growth available allowed building increases into the budget in a number of areas that had over-spent in previous years or where

we were aware of demand pressures. This applied to the budgets shown on rows 3, 5, 6 and 8 in table 5 of the report. Spend in those areas had increased compared to the previous year, but remained within the revised budget allocation;

- iii. the underspend on education costs of residential placements related to two financial years. At 2020/21 year-end, the DSG reimbursement for the education costs associated with residential placements was carried out to budget. This had been adjusted retrospectively in 2021/22 to reflect actual calculated costs for that year, meaning there was a double impact of spend being lower than it was previously in that area. Of the £1.025m reported underspend, £0.471m related to 2020/21 and £0.555m related to 2021/22;
- iv. the 10% underspend on LA support services was across a range of teams. £0.111m related to the Inclusive Education Service. There had been significant demand for support from these teams, and additional traded income from schools had exceeded the additional staffing costs to provide extra capacity. In 2021/22, a new £0.080m budget was introduced to commission Sensory Occupational Therapy (OT) support, however this was not possible to implement due to the OT being required for COVID catch up activity;
- v. it was currently proposed to increase the Sensory and Physical team by 1xFTE specialist teacher of the visually impaired due to the increase in children and young people needing to access learning through using braille. This cost would be met from the 2022/23 HN block DSG increase, as there was no charge to schools for this support;
- vi. the outturn position, as set out in table 2 of the report, included a number of further drawdowns from the Statutory Schools Reserve (SSR). These reserve commitments were outlined in the 2020/21 Outturn Report and table 6 of this report showed the detail. The SSR balance as at 01 April 2021 was £9.485m, and after in-year movements during 2021/22 the balance was £14.460m (table 7 of the report summarised the position);
- vii. the commitments / ring fenced funding from the SSR totalled an uncommitted element balance of £9.550m, which equated to 0.3% of the DSG budget (previously 0.1% as at 31 March 2021). There was no statutory requirement for the levels of this reserve, however, it needed to align to any risk value, and this would be captured as part of future reports;
- viii. future use of the reserve needed to align to the expenditure categories as set out in table 8 of the report;
- ix. the value of maintained school balances had increased during the financial year 2021/22 from £8.347m to £8.702m.

**Resolved to note that the**

- (1) 2021/22 financial outturn position of the Dedicated Schools Grant was an underspend of £6.011m (2% of the overall budget) against a final budget of £308.215m, as detailed in table 2 of the report;**

- (2) underspend (as highlighted in resolution (1) above) had been allocated back to the Statutory Schools Reserve, resulting in a closing balance of £14.460m for 2021/22, as detailed in table 7 of the report;**
- (3) uncommitted Statutory Schools Reserve balance was £9.550m, as detailed in table 7 of the report.**

**35 Dates of future meetings**

**Resolved to meet remotely via Zoom video conferencing at 1.45pm on the following Tuesdays during the academic year 2022/23:**

<b><u>2022</u></b>	<b><u>2023</u></b>
<b>11 October</b>	<b>17 January</b>
<b>06 December</b>	<b>28 February</b>
	<b>25 April</b>
	<b>27 June</b>