

Schools Forum

Minutes of the meeting held on Monday, 16 March 2020

Present: Patricia Adams, Gillian Houghton, Mike Cooke, Nichola Davidge, Michael Flanagan, Alan Braven, Andy Park, Ian Fenn, Joshua Rowe, Michael Carson, Phil Hoyland, Councillor Stone, Cath Baggaley, John Morgan

Apologies:

Emma Merva, Tony Daly, Edward Vitalis, Walid Omara, Antonio De Paola, Joanne Fenton

SF/20/5. Minutes

Decision

To agree the minutes of the meeting held on 20 January 2020 as a correct record.

SF/20/6. Excessive Clawback Review

The Forum considered a report of the Directorate Finance Lead – Children and Schools which discussed the policy applied by the Local Authority (LA) when seeking to retrieve funds from a maintained school where the balance at year-end is deemed to be surplus. The Forum was asked to consider the policy following its first year of operation.

In considering the criteria by which a balance may be deemed ‘surplus’ the Forum had previously decided that the following criteria must be met:

- a school had an excessive surplus balance beyond a given threshold (which was sector specific)
- that the surplus had been retained for more than four years

Subject to meeting the above criteria, the LA would undertake to retrieve 50% of the surplus which would then be used to support High Needs funding given the ongoing shortfall. That mechanism had been used this year.

The maintained school representatives of the Forum were now asked to consider whether or not to change these arrangements for 2020/21, and two options were being put forward: whether to claw back 50% or 100% of the excess.

In discussing it forum members raised questions relating to the treatment of federated schools and on how appropriate it might to use or change this mechanism given the historic variability in pressures on school budgets. There were also questions on what was going to be included in the calculation of balance, issues such as late monies, free school meal funds, and top-up allocations. It was however recognised that the clawback was used to fund high-needs spending, which was also under considerable pressure. It was said that the current arrangement that the Forum had agreed for 2019/20 was working sufficiently well, and it did not need to be fixed

or altered. Other members of the Forum supported the continuation of the 50% option into 2020/21.

Having discussed the matter it was clear that there was a range of options across the members of the Forum, and the Council's finance officers agreed to reflect on what had been said before coming to any decision.

Decision

To note the options presented in the report, with a preference amongst some members for the continuation of the 2019/20 arrangements.

SF/20/7. School Insurance

The Forum considered a report of the Directorate Finance Lead - Children's and Schools which discussed recent changes applied by the Department for Education (DfE) to the Academies Risk Protection Arrangement (RPA). This voluntary scheme which affects academy trusts and local authority maintained schools in England is not an insurance scheme but provided the same cover to schools as a mechanism through which the cost of risks that materialise would be covered by government funds. Maintained schools would be eligible to opt in to this voluntary scheme from 1 April 2020 with no penalties for not joining.

The benefits, drawbacks and points for consideration associated with opting in were set out in the report. The report explained that at present many schools arranged their insurance through the Council's agreement with an external insurer. The Council was unable to cancel that agreement without penalty, so the Council could not encourage schools to sign-up to the RPA, as it could result in the Council being in breach of the agreement it already has in place. However, the Council was also unable to price-match the cost of the RPA across all schools. Schools that did decide to opt into the RPA would need to provide assurance the Council.

Maintained school representatives of the Forum were invited to provide a view on the RPA offer.

Some members of the Forum welcomed the RPA proposal and there was some challenged to the Council's value for money compared to the RPA. Assurance was sought that the Council's was undertaking a robust approach to the procurement of insurance, to get the best prices possible for those schools that did not opt into the RPA. It was also explained that the Council's approach provided cover for some risks that were not within the scope of the RPA, so schools were protected from more risks.

Decision

To note the report.

SF/20/8. Pension Administration Duties Update

The Forum considered a report of the Directorate Finance Lead - Children's and Schools which discussed changes to the way maintained schools are charged in respect of annual pension administrative fees and fines incurred as a result of non-compliance with the pension scheme. The Local Authority (LA) had previously consulted to Forum regarding its intention to impose an annual fee to schools who use payroll providers other than the Local Authority in light new statutory reporting arrangements, which resulted in an increased workload. As a result of those discussions the LA had undertaken to charge fees that were be based on a rate per employee eligible to be a member of the teachers' pension scheme. Maintained school representatives of the Forum were asked to note the LA's intention to proceed on that basis.

Decision

Members noted the proposal and felt that the approach would be fairer to schools.