

Schools Forum

Minutes of the meeting held on Monday, 22 March 2021

Present: Gill Houghton, Mike Cooke, Hatim Kapacee, Gavin Shortall, Nichola Davidge, Tony Daly, Philip Geldard, Alan Braven, Walid Omara, Joseph Brownridge, Helen Child, Andy Park, Joshua Rowe, Michael Carson, Alan Burton, Cath Baggaley, Jimmy Buckley, Antonio De Paola, Emma Merva, Michael Flanagan, John Morgan, Bernard Stone

Also Present: Councillor Bridges (Portfolio Holder)

Apologies: Edward Vitalis and Isobel Booler

SF/20/4. Minutes

The minutes of the meeting held on 16 January 2021 were submitted for consideration as a correct record.

Decision

To agree the minutes of the meeting held on 16 January 2021 as a correct record.

SF/20/5. Excess Balances Clawback 2021/22

The Forum considered a report of the Directorate Finance Lead – Children Services and Education which sought a decision on the rate of the automatic clawback mechanism for 2021/22.

All maintained Schools Forum members were asked to vote to set the rate of clawback at either 50% or 100% of applicable balances. The Forum was also asked to note that the Local Authority planned to review the level for 2022/23 onwards and that this review would include a reconsideration of the length of time that an excess balance may be held by a school without being eligible for clawback.

The Forum discussed the DfE's recently re-affirmed commitment to move to the (hard) National Funding Formula (NFF) by 2025/26, noting that this would be achieved by progressively restricting control over local funding formulae. It was acknowledged that the current level of school balances in the city, ran the risk of incorrectly signalling a perceived capacity within the city to manage funding shortfalls through efficiency measures. This it was acknowledged could significantly undermine the city's case for adequate funding prior to the implementation of the NFF.

The Forum took into consideration the Council having recommended the continuation of the Scheme (in its current form) at a clawback rate of 50%. This was in recognition of the impact of the global pandemic on schools' and a reduced capacity to spend as planned at the start of the financial year.

The Forum discussed the appeals process for schools that were subject to clawback and a number of potential scenarios were discussed and clarified.

Maintained school representatives of the Forum then proceeded to vote. The Forum voted by a majority to set the clawback rate at 50% for 2021/22.

Decision

1. To agree that the rate of clawback in the Excess School Balances Mechanism for 2021/22 shall be set at 50% of all excessive surplus balances held for more than four years.
2. To note that the Local Authority intends to review the level of clawback 2022/23 onwards and that this will include a review of the length of time that excess balances may be held by schools without being subject to clawback.

SF/20/6. Manchester Growth Fund Concerns

The Forum considered a report of the Directorate Finance Lead – Children Services and Education which discussed concerns about the Local Authority (LA)'s growth fund allocations from the Department for Education (DfE).

The report explained that allocations for the city have continued to decrease year-on-year, despite Manchester's population having continuously grown over the last decade. This was set alongside an increased demand for new schools and in-year expansions in the city having been met by the Local Authority.

An explanation of the DfE's funding methodology alongside associated funding requirements for Local Authorities for new and growing schools was provided to demonstrate how the pressures arise. It was felt that the current growth funding methodology did not take into account the amount that LAs are required to fund new and growing schools was at a higher rate than the amount that is received from the DfE and operated on a lagged basis. This was felt to be unsustainable and exacerbated existing Dedicated Schools Grant (DSG) pressures.

The Forum noted that the Local Authority had opened a dialogue with the DfE about its concerns with the methodology and was awaiting a reply.

Decisions

1. To acknowledge and agree with the Local Authority's concerns in relation to the DfE's growth funding methodology.
2. To support the view that the operation of the DfE's funding methodology in its current form was unsustainable and exacerbated existing Dedicated Schools Grant pressures

SF/20/7. High Needs Block Consultation

The Forum considered a report of the Directorate Finance Lead – Children Services and Education which provided the Authority's draft consultation response to the Department of Education (DfE) consultation on key changes to the High Needs block

National Funding Formula (HNNFF) for financial years 2022/23 onwards

The Directorate Finance Lead – Children Services outlined the context and purpose of the review and the proposed move by the DfE that funding is based on actual expenditure. The DfE were also asking for views as to other possible funding factors that may be used in the formula. The Directorate Finance Lead – Children Services explained that the impact on Manchester in using actual expenditure would increase Manchester's historic spend and would lead to an increase (0.3%) in Manchester's HNNFF if all other funding factors remained unchanged. This was due to the city not being subject to a funding floor or funding cap.

A copy of the Local Authority's draft consultation was included with the report. Individual schools or representatives were encouraged to respond to the consultation.

Decision

To note the report.

SF/20/8. Any Other Business: National Funding Formula Consultation

The Forum considered a report of the Directorate Finance Lead – Children Services and Education which provided the Authority's draft consultation response to the Department of Education (DfE) consultation on key changes to the High Needs block National Funding Formula (HNNFF) for financial years 2022/23 onwards

The Directorate Finance Lead – Children Services outlined the context and purpose of the review and the proposed move by the DfE that funding is based on actual expenditure. The DfE were also asking for views as to other possible funding factors that may be used in the formula. The Directorate Finance Lead – Children Services explained that the impact on Manchester in using actual expenditure would increase Manchester's historic spend and would lead to an increase (0.3%) in Manchester's HNNFF if all other funding factors remained unchanged. This was due to the city not being subject to a funding floor or funding cap.

A copy of the Local Authority's draft consultation was included with the report. Individual schools or representatives were encouraged to respond to the consultation.

Decision

To note the report.

SF/20/9. Any Other Business: Retiring Forum Members

The Chair welcomed Alan Burton to his first meeting of the Forum as it's Pupil Referral Unit Representative.

The Forum also acknowledged that this would be the last meeting (in an official capacity) for Nichola Davidge (Governor Representative) and Councillor Bernard

Stone.

The Forum thanked Ms Davidge and Councillor Stone for their valuable contributions and involvement in the Forum's work, during their terms of office.

Decisions

1. To welcome Alan Burton as Pupil Referral Unit Representative for the Forum.
2. To thank Nichola Davidge and Councillor Bernard Stone for their contribution to the work of the Forum.