

Schools Forum

Minutes of the meeting held on Monday, 14 January 2019

Secondary Sector Headteachers: -

Secondary Sector Governors: - vacancy

Primary Sector Headteachers: Mike Cooke, Patricia Adams, Saeeda Ishfaq

Primary Sector Governors: Nichola Davidge, Tony Daly

Special School Headteachers: Alan Braven

Special School Governor: -

Academy Representatives: Elizabeth Fritchley, Emma Merva, Ian Fenn, Joshua Rowe, Michael Carson

Pupil Referral Unit Representative: -

Nursery School Representative: - Joanne Fenton

Non-school members: Councillor Stone, Isobel Booler, Cath Baggaley

Council Officers: Amanda Corcoran (Director of Education), Reena Kohli, (Directorate Financial Lead, Children and Families), Anne Summerfield (Principal Finance Officer – Schools)

Apologies: Gillian Houghton, Sarah Navin, Michael Flanagan Walid Omara, Elizabeth Cummings

SF/18/1. Minutes

Elizabeth Fritchley and Saeeda Ishfaq stated that their apologies for the previous meeting had not been recorded.

In considering minute **SF/18/11**, there was a discussion about actions that had taken place since the matter was formally considered. The Chair reiterated the predicament posed by the retention of uncommitted excess balances when seeking to lobby central government about what was described as the continued underfunding of schools. It was then explained that officers had been asked to review the Local Authority's existing clawback mechanism for maintained schools with a view to improving equity and fairness in the process. This would be brought back to a future meeting of the Forum for comment with a view to formal endorsement prior to consultation with schools.

Decision

To agree the minutes of the meeting held on 19 November 2018 as a correct subject to the amendments concerning attendance above.

SF/18/2. Dedicated Schools Grant 2019/20

The Forum considered a report of the Directorate Finance Lead – Children and Schools which confirmed the city's Dedicated Schools Grant (DSG) funding 2019/20 allocation which had been announced by the Department for Education (DfE) on 16

December 2018.

The Directorate Finance Lead – Children and Schools introduced the report across its main themes. She advised that Manchester's **DSG settlement for 2019/20 was £530.06M** with the Schools Block receiving £409.07M, the Central Schools Services Block (CSSB) receiving £3.657M, the High Needs Block (HNB) receiving £76.498M and the Early Years Block (EYB) receiving £76.498M. An overview of the purpose of each block and an explanation of how the associated amounts had been calculated was also provided. It was explained that the settlement had increased by approximately £11.5M due to pupil number increases, predominantly in the secondary sector. There had been a reduction in the Central Schools Block allocation due to the transfer of PFI funding so that the funding was no longer centrally retained.

An **increase of £3.12M in HNB** was reported, the majority of which was attributable to an increased number of pupils in the city. £1.28M of that figure was described as additional money for the block. The increased amount would be allocated to the HNB for the next two consecutive financial years to offset ongoing pressures.

There was a discussion about the growth in pupil numbers and whether there had been any analysis with regard to the implication on budgets. The Director of Education said that whilst there had been a recent reduction in the number of Reception pupils but there had been no slowdown in the number of in-year arrivals. Discussions turned to the impact of the building of new homes in the city. It was explained that this was a complex and ongoing area of work which involved input from colleagues in numerous areas of the Council. Officers were seeking to determine phased completion dates and expectations on yield of new families. Additionally, other factors (such as Brexit) were also being taken into consideration to determine likely negative impacts on pupil numbers. The Forum was asked to note that the **funding for the two, three and four year old offer** would not be disclosed until June 2019 and June 2020

The Forum was asked to note that EYB funding was adjusted in-year based on January census figures but current indications were that the figure to be receive will be just under £41M. This was slightly less than the previous financial year because of the **lower than anticipated take up of the 15 hours for three and four year old offer**, by the DfE. Additionally, the allocation had been realigned for the next financial based on current levels of take up. A further update on this would be brought to the Forum early in the next financial year when the figure is finalised. It was emphasised that it could lead to further reductions if the codes from parents were not received.

In its consideration of the **Schools Block**, the Forum was invited to note that in order to ensure that Manchester schools see the 0.5% pupil led element increase, a 0.5% increase had been applied to the unit values of the parts of the formula that are pupil driven. Emphasis was given to the allocation of additional funding of £2.4M for the High Needs Block which meant that the Local Authority's would not seek to transfer of up to 0.5% from the Schools Block (SB) during 2019/20. A member asserted that the increase of just 0.5% fell well short of actual requirements.

With regard to the **Minimum Funding Guarantee** (MFG) the Directorate Finance Lead – Children and Schools explained that in order to ensure that the MFG protection and formula is affordable, some schools would have their budget gains capped. This would only be applied to the extent that it offset the cost of the MFG and it must be applied on the same basis to all schools. Therefore, capping would be applied at 0% and would ensure that all schools in the city would see a 0.5% increase before adjusting for changes in pupil characteristics and pupil numbers. It was noted that due to existing funding pressures within the block, the 0.5% increase would not apply to special schools. It was explained that this was due to a significant number of special schools having uncommitted excess balances. A member asserted that not all special schools had excess balances and in such circumstances those schools were having to take difficult decisions in relation to either reducing staff or reducing the offer. The Directorate Finance Lead – Children and Schools said that she planned to propose a review of special school budgets at a forthcoming meeting with special school heads in recognition of the pressures faced within that sector. It was acknowledged that the lack of funding that had been allocated for high needs by central government.

It was reported that funding for **Central School Services Block** was broadly in line with expectations.

There had been an increase in **High Needs Block** funding of £3.12M which would largely to be spent on special school expansions / place values within that sector. It was also anticipated that there would be an additional spend relating to pupils with EHCPs because of the city's population increase. It was anticipated that there would be a £1M pressure in this block which would lead to the need for further efficiencies that would most likely focus on non-statutory services

No change was reported for the **Early Year Block**.

A member asked whether the **Growth Fund** values would change next year. The Directorate Finance Lead – Children and Schools explained that whilst the total amount the city received had reduced because of the changed way in which the DfE allocated funding, the Local Authority had no plans to reduce the unit values that are paid to schools that have been expanded.

Decisions

1. To note the Dedicated Schools Grant settlement for the 2019/20 financial period.
2. To note the additional High Needs Block (HNB) funding within the Dedicated Schools Grant 2019/20 allocation meaning that the Local Authority would no longer to seek to transfer funds from the Schools Block to support the HNB during that period.
3. To note the intention to set the Minimum Funding Guarantee to 0.5% and cap at 0% to allow all Manchester schools see a 0.5% increase in the pupil element of the budget.
4. To note that notice of the adjustment to funding levels for the two, three and four year old offer will be received in June 2019 and June 2020.
5. To note the funding formula for 1410 places in line with DfE guidance for new

- and growing schools and the intention to fund an additional 955 in year pupil places in schools that are expanding.
6. To note the intention to create an additional 100 special school places and 10 resource school places.