



SCHOOLS FORUM

Tuesday, 12 October 2021 at 4.00 pm

Meeting to be held via: **Microsoft Teams**

Public Access to meeting via: <https://youtu.be/TSpU1NL4G3k>

MEMBERSHIP:	Mr M. Vlahakis	Primary Head Teacher, Cadmus Family of schools
	Mrs C. Draper	Primary Head Teacher, Short Heath Federation
	Mrs M. Sheehy	Primary Head Teacher, Millfield Primary School
	Mrs J. Garratt	Primary Head Teacher, Walsall Wood
	Mr S. Davies	Primary Head Teacher, Christ Church CE (C) JMI School
	Mrs N. Boys	Primary Academy Head Teacher, Lodge Farm
	Mr M. Moody	Primary Academy Representative, Goldsmiths and Rivers Academies
	Mrs S. Bowen	Secondary Maintained Head Teacher, St. Thomas More Catholic School
	Dr A. Bruton	Secondary Academy Head Teacher, Queen Mary's High School
	Mr A. Seager	Secondary Academy Head Teacher, Bloxwich Academy
	Mrs H. Keenan	Secondary Academy Head Teacher, Brownhills Academy
	Mr W. Downie	Secondary Academy Head Teacher, Streetly Academy
	Mrs L. Foster	Primary Governor, Short Heath Federation
	Mr M. Fox	Primary Governor, Kings Hill Primary
	Mr I. Baker	Secondary Academy Governor, Grace Academy
	Mrs C. Fraser	Special School Head Teacher, Castle Business and Enterprise College
	Mrs E. Phillips	Academy Special School, Phoenix Academy
	Mr C. Bury	Principal, The Ladders School, Alternative Provision
	Ms J. Barr	Special School Governor
	Ms M. Turley	Nursery Head Teacher, Ogley Hay Nursery
	Mr T. Hopkins	PVI Representative
	Mr S. Pritchard-Jones	Pupil Referral Unit representative
	Vacancy	16-19 School Forum Representative
OBSERVERS:	Councillor C. Towe	Cabinet Portfolio holder for Education and Skills
	Mr A. Orlik	Observer, C of E Diocese
	Ms S. Guy	Observer, National Education Union

Quorum – 8 members

A G E N D A

1.	Welcome and explanation of rules of procedure for virtual meeting	
2.	Apologies	
3.	Minutes – 21 September 2021 – enclosed	
4.	Matters arising from the Minutes To consider any matters arising from the minutes which do not occur elsewhere on the agenda.	
5.	Late items (urgent) to be introduced by the Chair.	
6.	Local Government (Access to Information) Act 1985 (as amended) To agree that the public be excluded from the private session during consideration of the agenda items indicated for the reasons shown on the agenda.	
7.	Proposed for Mainstream Schools Local Funding Formula 2022/23 – enclosed	
8.	Review of Maintained School Balances 2020-21 – enclosed	
9.	Maintained Schools De-delegation 2022/23 – enclosed	
10.	Review of Dedicated Schools Grant: Update on 2021/22 Forecast Position – enclosed	
11.	Local Government Pension Scheme Current Service Pension Costs: Introduction of an annual reconciliation process – enclosed	
12.	SEND Improvement Programme Update – verbal report	
13.	EHCP Timeliness and Performance – verbal report	
14.	Forward Plan – enclosed	
15.	Late items (if any)	
16.	Correspondence – to receive any other items of correspondence that might be of interest or have an effect on the Forum.	

Schools Forum

Minutes of meeting held on Tuesday, 21 September 2021 at 4.00 pm

Digital Meeting via Microsoft Teams

Held in accordance with the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulation 2020; and conducted according to the Council's Standing Orders for Remote Meetings and those set out in the Council's Constitution.

Schools Forum Members Present:

Mr M. Vlahakis (Chair)	–	Primary Head Teacher
Dr A. Bruton (Vice-Chair)	–	Secondary Academy Head Teacher
Mrs N. Boys	–	Primary Head Teacher
Mr C. Bury	–	Alternative Provision School Principal
Mr S. Davies	–	Primary Head Teacher
Mr B. Downie	–	Secondary Academy Head Teacher
Mrs C. Draper	–	Primary Head Teacher
Mr M. Fox	–	Primary Governor
Mrs J. Garrett	–	Primary Head Teacher
Mr T. Hopkins	–	PVI Representative
Mrs H. Keenan	–	Secondary Academy Head Teacher
Mrs E. Phillips	–	Academy Special School
Mr S. Pritchard-Jones	–	Pupil Referral Unit representative
Mr A. Seager	–	Secondary Academy Head Teacher
Mrs M. Turley	–	Nursery Head Teacher
Councillor C. Towe	–	Portfolio Holder, Education and Skills (Observer)
Ms S. Guy	–	National Education Union (Observer)
Mr A. Orlik	–	C of E Diocese (Observer)

Officers Present:

Mrs S. Kelly – Director of Access & Inclusion
Mr S. Hollins – Music Education Manager
Ms D. Morris – School & Early Years Finance Manager
Ms T. Pyatt – Head of Inclusion
Mr R. Thomas – Head of Access
Mr A. Webley – SEND Team Manager
Dr P. Fantom – Democratic Services Officer

		Action
1. 21.09.21	<p>Election of Chair</p> <p>A nomination was made for Mr M. Vlahakis to be appointed as Chair of the Schools Forum for the 2021/22 academic year. The nomination was duly seconded and a vote taken.</p> <p>Resolved:</p> <p>That Mr M. Vlahakis be appointed as Chair of the Schools Forum for the 2021/22 academic year.</p>	
2. 21.09.21	<p>Election of Vice-Chair</p> <p>A nomination was made for Mr A. Seager to be appointed as Vice-Chair of the Schools Forum for the 2021/22 academic year. The nomination was duly seconded and a vote taken.</p> <p>Resolved:</p> <p>That Mr A. Seager be appointed as Vice-Chair of the Schools Forum for the 2021/22 academic year.</p>	
3. 21.09.21	<p>Welcome</p> <p>The Chair opened the meeting by welcoming everyone and explaining and rules of procedure and legal context in which the meeting was being held. He also directed members of the public viewing the meeting to the papers, which could be found on the Council's Committee Management Information System (CMIS) webpage.</p> <p>Members confirmed they could both see and hear the proceedings.</p>	
4. 21.09.21	<p>Apologies</p> <p>Apologies for absence had been received from Mr I. Baker, Mr M. Moody, Mrs S. Rowe and Mrs M. Sheehy.</p>	
5. 21.09.21	<p>Minutes – 22 June 2021</p> <p>The Schools Forum received the Minutes of the meeting held on 22 June 2021 (see annexed).</p> <p>The Chair put the recommendation to the vote and it was:</p>	

	<p>Resolved:</p> <p>That the Minutes of the meeting held on 22 June 2021, a copy having been previously circulated to each Member of Schools Forum, be approved and signed as a true record, subject to the following amendments:</p> <ol style="list-style-type: none"> 1. In the list of officers present at the meeting, the inclusion of Ms D. Morris – School & Early Years Finance Manager; 2. In the dates of future meetings, the meeting to be held in December 2021 to be amended to read Tuesday, 7 December 2021. 	To note
6. 21.09.21	<p>Matters Arising from the Minutes of 22 June 2021</p> <p>There were no matters arising from the minutes.</p>	
7. 21.09.21	<p>Late Item/s (urgent) to be introduced by the Chair</p> <p>There were no late items.</p>	
8. 21.09.21	<p>Local Government (Access to Information) Act 1985 (as amended)</p> <p>The Schools Forum noted that there were no items for consideration in the private session.</p>	
9. 21.09.21	<p>SEND Improvement Programme Update</p> <p>The Schools Forum received a report on the progress being made against the actions in the Written Statement of Action (WSOA) document ahead of re-inspection (see annexed).</p> <p>Mr Webley noted that at the Schools Forum's last meeting he had been requested to circulate an updated version of the WSoA. However, as the Local Area Improvement Board was due to be held on 22 September 2021, and the updated WSoA document would be agreed at this meeting, he proposed that it be circulated after this had occurred.</p> <p>Regarding re-inspection, Mrs Kelly advised that inspections had resumed, and local authorities that had not received their first inspection were being prioritised, all re-inspections had occurred in date order. However, it was anticipated that Walsall's re-inspection would be during the autumn term.</p> <p>Resolved:</p> <p>That the report be noted.</p>	<p>AW to circulate updated WSoA document</p> <p>To note</p>

<p>10. 21.09.21</p>	<p>EHCP Timeliness and Performance Update</p> <p>The Forum received was a report on the current position regarding EHCP timeliness and performance, which highlighted the mitigating actions being taken to reduce backlogs and areas of improvement (see annexed).</p> <p>In response to a question from the Chair regarding EHCP timeliness, Mr Webley reported that an increase in demand for EHCPs was anticipated because of the pandemic, and whilst additional resource had been approved, the number of applications had exceeded expectation and had an impact on the backlog. This was a nationwide issue, affecting other local authorities, but an appropriate response was being made and Walsall's situation had improved. Councillor Towe also acknowledged his disappointment but assured the Schools Forum that a fully funded plan was in place. Furthermore, Ms Pyatt related the steps being taken to increase the number of SEND caseworkers, with interviews taking place to recruit to the vacant positions.</p> <p>A question having been raised in relation to a questionnaire on educational psychology hours, for which a response from the Council was awaited, further information was requested by Mr Webley so that he could follow this enquiry up and provide an appropriate response.</p> <p>Further to a question regarding the number of EHCPs that exceeded the 20-week timescale, and whether part of the problem had arisen due to schools not providing the information required, Mr Webley pointed out that this was due to the complexity of some cases where specialist provision needed to be arranged. He would re-examine the data and, if this were the case, would share the relevant information.</p> <p>In terms of communication with the SEND team, which it was acknowledged had been problematic and frustrating for head teachers, Mr Webley confirmed that the majority of delayed EHCPs were for children in early years and primary settings. That communications had been an issue was acknowledged by Mrs Kelly, who requested that representatives and head teachers forums provide detail or suggestions that could be used to make improvements. It was noted by Mr Webley that the Council's ICT team had been working to extend telephone migration via Microsoft Teams, as this facility had not been available to all members of the SEND team, and that when completed would improve accessibility and communication.</p> <p>Resolved:</p> <p>That the report be noted.</p>	<p>AW to investigate and follow up</p> <p>To note</p>
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<p>11. 21.09.21</p>	<p>School Music Service: Application for continuation of music funding of £38,000 in 2022/23</p> <p>The Schools Forum received the report of the Music Education Manager in relation to the work of the Walsall Music Education Hub & Service in supporting Walsall's schools and young people with music provision and opportunities. The report sought approval from Schools Forum for the continued financial support for the Music Education Hub's activities at Walsall Arena and Arts Centre (see annexed).</p> <p>Resolved:</p> <p>That £38,000 of Schools Forum funding be granted to Walsall Music Education Hub & Service in 2022/23 in line with previous years.</p>	
<p>12. 21.09.21</p>	<p>Procurement</p> <p>The Chair introduced this item by referring to procurement and the Schools Forum's role and responsibilities, including being consulted on and providing a view on some contracts. It was felt that whilst this had not been done in the past, when procurement matters arose in future the Schools Forum should be consulted in order to be part of the process.</p> <p>Ms Pyatt outlined the corporate procurement processes by which agreements were made with schools and contractors. She noted that there were some long-standing arrangements, which it was now appropriate to review and take through the appropriate procurement route.</p> <p>Further to a question relating to the continuation of a particular service, Mrs Kelly advised that the process had commenced but was at an early stage and a timetable from the procurement team was awaited.</p> <p>In response to an observation from the Chair on the 'Walsall first' approach, Councillor Towe noted that this had been agreed by the Cabinet and was a feature of the Council's procurement policy.</p>	
<p>13. 21.09.21</p>	<p>De-delegation letter 2021</p> <p>A copy of a joint letter from the NAHT, National Education Union and ASCL regarding the de-delegation of funding for supply cover costs, including for trade union facilities time was submitted (see annexed).</p>	

	<p>The Chair stated that this letter was to be circulated to the respective head teacher forums and Ms Guy informed the Schools Forum that the trade unions were to attend the head teachers' meeting on 5 October 2021.</p> <p>Resolved:</p> <p>That the de-delegation letter 2021 be noted.</p>	To note
<p>14. 21.09.21</p>	<p>Forward Plan</p> <p>A copy of the Forward Plan was submitted (see annexed).</p> <p>It was noted that the item: Update on Local Government Pension Scheme Charges would be considered at the October 2021 meeting of the Schools Forum.</p> <p>Resolved:</p> <p>That the Forward Plan be noted.</p>	To note
<p>15. 21.09.21</p>	<p>Late Items</p> <p>There were no late items for consideration.</p>	
<p>16. 21.09.21</p>	<p>Correspondence</p> <p>There were no items of correspondence.</p>	
	<p>Date and Time of next meeting</p> <p>The next meeting of Schools Forum is scheduled for Tuesday, 12 October 2021, commencing at 4.00 pm.</p>	

The meeting terminated at 4.51 pm.

Signed

Date:

Schools Forum

12th October 2021

Proposed for Mainstream School Local Funding Formula 2022/23

1. Purpose of Report

- 1.1 For 2022/23 local authorities are required to set a local funding formula for their mainstream schools.
- 1.2 An Authority Pro-forma Tool (APT), with pupil data specific to individual authorities, will be published in December 2021, and local funding formula factors will be used within the pro-forma to determine a budget share for all mainstream schools for 2022/23.
- 1.3 This report outlines a number of proposed options developed by a working group of Schools Forum members for consideration in relation to the local funding formula for schools for 2022/23 and beyond.

2. Recommendations

- 2.1 Schools Forum note the work undertaken by the Schools Forum Working Group in developing the models set out in section 4 of this report for consideration.
- 2.2 That Schools Forum undertake a vote to establish their recommended mainstream schools local funding formula for 2022/23 (noting that if either option 2, 3 or 4 as set out in section 4 of the report, is chosen these will require a full consultation with all mainstream schools, with the outcome of this consultation being presented back to Schools Forum in December 2021).
- 2.3 That Schools Forum note that if no recommendation can be made then a full consultation will be required with all mainstream schools, with the outcome of this consultation being presented back to Schools Forum in December 2021.
- 2.4 That Schools Forum note that, once the final Dedicated Schools Grant (DSG) allocations for 2022/23 have been issued in December 2021, a further report will be presented to Schools Forum at their meeting in January 2022 to highlight any final amendments that may be required to the recommended formula.
- 2.5 Schools Forum are asked to note that the recommendation from this report will then be reported to Cabinet on 20 October 2021 to seek their approval (and dependent on the option recommended may also need to be reported back to Cabinet for final decision on December 2021).

3. Background

- 3.1 From April 2018 Central Government began the implementation of the schools National Funding Formula (NFF), which it believes will allow for a more equitable and comparable distribution of funding to schools across the country compared to the previous methodology (which was in the main based on historic spending on education in each area rather than on the basis of need).
- 3.2 This implementation of the NFF originally followed a 'soft' approach whereby local authorities could still set a local funding formula, within allowable funding factors, to distribute funding in a different way based on local priorities, with a 'hard' NFF (which would remove the ability to set a local formula) due to be implemented (following a number of changes to the deadline for this) in April 2021.
- 3.3 A report, supported by School Forum and Cabinet, in October 2018 set out Walsall's approach would be to incrementally move local factor values towards those within the NFF over a period of time rather than adopting them all fully at once, to allow schools to manage any corresponding financial impact over a period of time.
- 3.4 Subsequent to approving the above direction of travel, in July 2020 the government announced that, due to the "need to focus efforts on meeting the challenges of Covid 19", the move to a 'hard' NFF would be delayed and would not be implemented in April 2021, and that local authorities would continue to operate a local funding formula for the financial year 2021/22.
- 3.5 In July 2021 the DfE released a consultation with the main focus being to move further towards a nationally determined school-level allocation that eliminates local authority interventions in the formula i.e. a 'hard' NFF. The consultation proposes details of the formulae and the extent of any time frame at which the national formula should over-ride local authority formulas.
- 3.6 The consultation proposes that an initial movement of all local formulas toward the NFF by 10% provides the right balance of avoiding turbulence in schools budgets, while being significant enough that it allows the DfE to test the impact of moving to a hard NFF, and to take an informed decision regarding how quickly to move to a full hard NFF thereafter. A movement of 10% towards NFF values would be broadly in line with the current pace of change observed from LAs voluntarily moving towards the NFF in their local formulae.
- 3.7 The consultation document additionally indicates that after an initial 10% movement closer to the NFF in 2023/24, and subject to reviewing the impact of this movement, the DfE would then aim to move at least 15% closer to the NFF in 2024/25 and at least 20% closer in 2025/26.
- 3.8 In support of the direction now being proposed by the DfE in their latest consultation a working group of Schools Forum members was set up to review options available for revising and setting the local funding formula for 2022/23, to ensure that schools in Walsall are prepared for any further incremental movements towards the hard NFF being proposed by the DfE.

- 3.9 Following the work of that group, and informal conversations with both the Primary Nursery Schools (PNS) meeting, and Walsall Association of Secondary Heads (WASH) group, the group could not reach a consensus on the options set out in section 4 of this report.

4. Options presented to the Working Group

- 4.1 The working group initially met during July 2021 to seek to agree a set of principles to drive potential options to be considered in relation to any proposed 2022/23 formula. The principles that the group agreed were as follows:

- 1) To ensure schools are able to prepare and plan for the implementation of a 'hard' NFF by minimising the impact of significant financial changes in any given year.
- 2) To ensure that the number of schools seeing a reduction in per pupil funding from one year to the next is minimised as much as possible.

- 4.2 Following the agreement of the principles and further discussions at the July meeting in terms of direction for any changes to the current formula, the following options were presented to the mainstream funding formula working group at their meetings on 14 September 2021 and 30 September 2021 for consideration:

- 4.3 Option 1 - No Change to Current Funding Formula Factors – but incorporating an allowance for inflation

The DfE have recently provided indicative data for 2022/23 based on inflationary increases in funding per school totalling approximately £5.5m for Walsall. Therefore if the local funding formula factors used for 2022/23 remain in line with the existing factors, but were uplifted across the board for the inflationary increases expected to be provided by the DfE, and assuming no change in pupil numbers or characteristics, this model showed that all mainstream schools (100%) would see an increase in funding for 2022/23 ranging between £11,110 to £188,578.

This modelled option would distribute funding between primary and secondary at a ratio of 1:1.25, meaning that the formula would allocate more funding overall to secondary compared to primary, to take account of the additional costs seen as children progress through the education system.

However given recent discussions at Schools Forum it is important to note that due to the local decision made in this model this would result in a different ratio than that which would be seen if the full NFF were implemented in Walsall in 2022/23 (with the ratio in relation to that shown in option 2 below).

This option has the advantage of ensuring all schools see an inflationary increase in their funding and provides consistency to schools, however it does not make any further change / progress towards the NFF.

4.4 Option 2 - Adopt the NFF in full

The second option considered by the group looked at applying the NFF in full for the 2022/23 financial year including inflation to the NFF rates currently being suggested by the DfE.

Assuming no change in pupil numbers or characteristics, this option would see 32 schools (31%) experience a reduction in funding compared to 2021/22 levels ranging between £481 and £24,495, and 72 schools (69%) gain in funding compared to 2021/22 levels ranging between £2,978 and £594,726.

This modelled option would distribute funding between primary and secondary at a ratio of 1:1.29, meaning that the formula would allocate more funding overall to secondary compared to primary to take account of the additional costs seen as children progress through the education system, with this split being in line with the DfE's own distribution of funding between these phases.

This option has the advantages of adopting the NFF in full, which the DfE believes is the most equitable way of allocating funding based on a core value per child with additional funding targeted at those pupils with additional needs, and removes further uncertainty around additional incremental moves towards the NFF in future years, while allowing for the majority of schools to gain in funding.

It does however have the disadvantage of those schools who would see a reduction in funding having less time to prepare for those changes in time for the 2022/23 financial year.

4.5 Option 3 – Further incremental move toward the NFF with reduction in current Lump Sum rate and that funding invested in to Low Prior Attainment, and then a reduction in the Free Schools Meals rates and investment of that funding in to the creation of an Ever6 Free School Meal factors at the NFF rate, and also the addition of the mobility factor

This option models a reduction of £25k in the individual school lumps sum payable under the current local funding formula, reallocating that funding into an increase in the funding rate for Low Prior Attainment (LPA).

In addition, funded by a reduction in the current funding rate applied to the Free School Meals (FSM) factor, the implementation of Ever6 FSM and Mobility factors at the full NFF rate. These two factors (Ever6 FSM and mobility) are not currently used in the local formula. The modelling also includes inflation for 2022/23.

Assuming no change in pupil numbers or characteristics, this option would see all schools (100%) experiencing an increase in funding compared to 2021/22 funding levels ranging between £3,642 and £287,668.

However under this model 70 schools would see less of an increase in funding when compared to Option 1 set out above.

This modelled option would distribute funding between primary and secondary at a ratio of 1:1.27, meaning that the formula would allocate more funding overall to secondary compared to primary, but again at a lower ratio than that included within the full NFF.

This option has the advantage of implementing two NFF funding factors which are not currently utilised in the local formula, therefore making further progression toward the NFF, with the existing lump sum, LPA and FSM factors also moving closer to the NFF values.

The disadvantages of this model are that a large number of schools would see less of an increase in funding than option 1.

4.6 Option 4 – Further incremental move toward the NFF with reduction in current Lump Sum rate and that funding invested in to Low Prior Attainment, and then a lower reduction in the Free Schools Meals rates and investment of that funding in to the creation of an Ever6 Free School Meal factors at 50% of the NFF rate, and also the addition of the mobility factor

This option models a reduction of £25k in the individual school lumps sum payable under the current local funding formula, reallocating that funding into an increase in the funding rate for Low Prior Attainment (LPA).

In addition, funded by a smaller reduction in the current funding rate applied to the Free School Meals (FSM) factor, the implementation of Ever6 FSM factor at 50% of the NFF rate and Mobility factor at the full NFF rate. These two factors (Ever6 FSM and mobility) are not currently used in the local formula. The modelling also includes inflation for 2022/23.

Assuming no change in pupil numbers or characteristics, this option would see all schools (100%) experiencing an increase in funding compared to 2021/22 funding levels ranging between £3,285 and £251,531.

However under this model 68 schools would see less of an increase in funding when compared to Option 1 set out above.

This modelled option would distribute funding between primary and secondary at a ratio of 1:1.26, meaning that the formula would allocate more funding overall to secondary compared to primary, but again at a lower ratio than that included within the full NFF.

This option has the advantage of implementing two NFF funding factors which are not currently utilised in the local formula, therefore making further progression toward the NFF, with the existing lump sum, LPA and FSM factors also moving closer to the NFF values.

The disadvantages of this model are that a large number of schools would again see less of an increase in funding than option 1.

- 4.7 A number of small variations to the above models were also presented to the working group for consideration but were not explored further mainly due to the impact on numbers of schools seeing a reduction in funding.

Proposed Schools Funding Formula

- 4.8 The working group considered the options set out above however, having informally consulted with both Primary Nursery Schools (PNS) and Walsall Association of Secondary Heads (WASH) forums, the group could not reach a consensus. However the general direction amongst primary school members was mostly in favour of option 1 (No Change to Current Funding Formula Factors – but incorporating an allowance for inflation) with then a move to full NFF values in 2023/24 (dependent on the outcome of the current consultation being undertaken by the DfE), and the general direction amongst secondary school members was in favour of option 2 and adopting the full NFF values from April 2022.
- 4.9 Schools Forum will therefore need to decide and recommend to Cabinet a proposed mainstream schools local funding formula for 2022/23, noting that should either option 2, 3 or 4 set out in section 4 of this report be recommended a full consultation will need to be undertaken with all maintained schools.
- 4.10 Appendix 1 to this report details a proposed local funding factor values for 2022/23 for all the options set out above, with a brief summary on each of the factors within the formula.

5. Financial implications

- 5.1 As required under DfE guidelines, it is estimated that any proposed Local Funding Formula would allocate all of the funding that Walsall Council receives within the Schools Block of its DSG to schools in Walsall.
- 5.2 Once the authority receives final details of its DSG allocation for 2022/23 a further review of proposed funding factor values may be required to ensure that the final factor values utilised are affordable within the overall level of funding that will be available to the authority.
- 5.3 Where schools see fluctuations in pupil numbers, or changes in pupil characteristics, between 2020/21 and 2021/22 this will impact on budgets as it always has (and there will also be schools who gain from this process where pupil numbers have increased).

6. Legal implications

- 6.1 The Department for Education has prescribed the way in which schools should be financed for the 2022/23 financial year. These guidelines are set out in the Schools Revenue Funding 2022 to 2023 operational guide, and can be found at the following link:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1003631/Schools_revenue_funding_2022_to_2023.pdf

- 6.2 The purpose of these arrangements is to help secure greater consistency in the way in which funding is distributed to schools. The Council is bound to adhere to the rules issued by Department for Education, and the proposed Walsall Funding Formula sets out how funding will be allocated to schools in Walsall within the prescribed arrangements.

7. School Improvement

- 7.1 As part of making any decisions regarding possible changes to the funding formula factor values, consideration should be made of the potential impact on the desired outcomes of the Walsall school improvement programme.

8. Members eligible to vote

- 8.1 All elected members with voting rights are eligible to vote on this matter.

Appendix 1

Proposed Local Schools Funding Formula 2022/23

						Option 1		Option 2		Option 3		Option 4	
Factor		Indicator / Criteria / Data				£ Unit / multiplier		£ Unit / multiplier		£ Unit / multiplier		£ Unit / multiplier	
Basic Entitlement (AWPU)	Compulsory	October 2021 census		Primary	£3,211		£3,211		£3,211		£3,211		
				Secondary	£4,831		£4,831		£4,831		£4,831		
Minimum per Pupil Funding	Compulsory	MPPL rates have been set in guidance		Primary	£4,265		£4,265		£4,265		£4,265		
				Secondary	£5,525		£5,525		£5,525		£5,525		
Deprivation	Compulsory	Proportion of pupils eligible for Free School Meals		Primary	£1,257		£470		£470		£838		
				Secondary	£1,508		£470		£470		£1,006		
		Proportion of pupils eligible for Free School Meals within the last 6 years - Ever 6		Primary	N/A		£590		£590		£295		
				Secondary	N/A		£865		£865		£433		
					Primary	Secondary	Primary	Secondary	Primary	Secondary	Primary	Secondary	
		Now changed to use IDACI 2019 ranks to group each lower super output area into one of six bands of decreasing deprivation. IDACI bands have previously been defined on basis of scores. Funding allocated on proportion of pupils in each band.	Pupils in the next 10% most deprived LSOAs	Band F	£215	£307	£215	£307	£215	£307	£215	£307	
			Pupils in the next 10% most deprived LSOAs	Band E	£256	£415	£256	£415	£256	£415	£256	£415	
			Pupils in the next 5% most deprived LSOAs	Band D	£384	£548	£384	£548	£384	£548	£384	£548	
			Pupils in the next 5% most deprived LSOAs	Band C	£415	£594	£415	£594	£415	£594	£415	£594	
			Pupils in the next 5% most deprived LSOAs	Band B	£445	£640	£445	£640	£445	£640	£445	£640	

			Pupils in the most deprived 2.5% of LSOAs	Band A	£614	£860	£614	£860	£614	£860	£614	£860
Lump Sum		Maximum permitted			£175,000		£121,000		£150,000		£150,000	
Low Prior Attainment	Optional	Primary pupils identified as not achieving the expected level of development in the early years foundation stage profile (EYFSP). Secondary pupils not reaching the expected standard in KS2 at either reading or writing or maths.			Primary - £870 Secondary - £1,300		Primary - £1,130 Secondary - £1,710		Primary - £1,124 Secondary - £1,424		Primary - £1,124 Secondary - £1,424	
English as Second Language	Optional	Pupils identified in the October census with a first language other than English may attract funding for up to three years after they enter the statutory school system.			£548		£548		£548		£548	
Business Rates	Optional	Following a DfE consultation it has been confirmed that the payment of business rates in respect of schools will be centralised from April 2022 and therefore no longer funded through delegated budgets.			N/A		N/A		N/A		N/A	
Split Site – fixed sum	Optional	A separate site is recognised either where a single school occupies more than one building separated by a public highway or following an amalgamation of two schools where the new school continues to use the two former sites and have two entrances.			£16,615		£16,615		£16,615		£16,615	
Premise Rental	Exceptional circumstance	An exceptional factor approved by DfE to fund one primary school for the premise rental charged by the diocese of the school			£54,000		£54,000		£54,000		£54,000	
Mobility	Optional	Pupils eligible for funding where school census records at their current school (or one of its predecessors) in the last three years indicated an entry date is not typical			N/A		£65,000		£65,000		£65,000	

Review of Maintained School Balances 2020-21

12th October 2021

1. Purpose of report

- 1.1 To provide a summary of balances held by maintained schools at 31st March 2021 as reported to the Department for Education (DfE) under consistent financial reporting regulations.

2. Recommendations

- 2.1 To note the contents of the report.

3. Background

- 3.1 Consistent financial reporting regulations require local authorities to submit details of all income and expenditure incurred by its maintained schools during the financial year and to confirm the level of committed and un-committed surplus balances held by each school at 31 March each year.
- 3.2 The outturn data submitted for maintained schools as at the end of 2020/21 is detailed for each sector in the table below.

4. School Balances 2020/21

- 4.1 As at 31 March 2021 Walsall maintained schools reported surplus revenue uncommitted balances totalling £7.444m, after £3.538m of prior year commitments and after a further £2.604m requested to be committed, largely to Properly Assigned Sum projects.
- 4.2 Capital balances reported for maintained schools totalled a further £1.464m.
- 4.3 In addition surplus balances totalling £0.234m held by schools in respect of Community Facilities provision, i.e. extended schools activities, were also reported.

Sector	Uncommitted Surplus Balances	Surplus as % of Income to Schools	Capital Balances	Community Facility Balances
Primary	£7,300.210	5.74%	£1,186.601	£149,157
Secondary	£711,867	4.46%		
Special	(£804,414)	(4.99%)	£114,236	
PRU	(£282,472)	(12.38%)	£56,132	
Nursery	£519,011	8.49%	£107,365	£84,446
Total	£7,444.201		£1,464.334	£233,603

- 4.4 A number of schools reported year-end deficits totalling (£1.811m) overall. Deficits were reported by 1 special school and 1 Pupil Referral Unit.

- 4.5 The Local Authority is working with those schools, both of whom have approved licensed deficit recovery plans in place and are implementing actions to move back to a balanced budget in line with those approved plans. Monitoring on the approved deficit recovery plans takes place on at least a termly basis.

5. Financial implications/Value for Money

- 5.1 Following the implementation of the balance control mechanism in 2012 the total level of uncommitted balances across all maintained schools has seen an ongoing downward trajectory – from £8.196m at the end of 2013/14, to £5.83m at the end of 2019/20.
- 5.2 The uncommitted balances have increased as at the end of 2020/21 to £7.44m, which is out of line with the previous trend, however it is likely that this is a short term change as a result of the impact of Covid-19 with many schools seeing changes in costs across the year against those originally planned and budgeted for.
- 5.3 Schools will also be aware that there is ongoing uncertainty around the longer term impacts of the continued move toward the National Funding Formula, so again for both these reasons we would expect the current level of balances to reduce going forward, and do not expect that there is a need to review the authorities current balance control mechanism at this point.

6. Legal Implications

- 6.1 Balances held by maintained schools as at 31 March each year are reported to the DfE under the consistent financial reporting regulations.

7. School Improvement

- 7.1 DfE's intention is that schools should avoid building up excessive balances, and should instead utilise the funding they receive for the benefit of pupils that are currently attending the school. However they also recognise the fact that reserves allow schools to plan for wider developments or respond to unforeseen cost pressures, and as such some level of reserves will normally be required.

8. Members eligible to vote

- 8.1 The report is for information only and no vote is required.

School Forum

12 October 2021

Maintained Schools De-delegation 2022/23

1. Purpose of report

- 1.1 To provide maintained schools with the opportunity to decide whether to de-delegate funding for relevant services back to the local authority for the 2022/23 financial year.

2. Recommendations

- 2.1 That Schools Forum note the insurance options available under the DfE's 'Risk Protection Arrangement', and the work that has been undertaken by the council to seek to be able to offer a comparative insurance package.
- 2.2 Maintained Secondary School members of Schools Forum **approve or do not approve** de-delegation of the Free School Meal Eligibility Service (estimated at £17.33 per free school meal eligible pupil).
- 2.3 Maintained Secondary School members of Schools Forum **approve or do not approve** de-delegation of Insurance Services (estimated at £20.00 per pupil).
- 2.4 Maintained Secondary School members of Schools Forum approve or do not approve utilisation of the DfE's Risk Protection Arrangements for insurance cover (set at £19 per pupil for the 2021/22 financial year but subject to potential increase for 2022/23).
- 2.5 Maintained Secondary School members of Schools Forum **approve or do not approve** de-delegation of Staff Costs – Teaching Union and Public Duties (estimated at £4.99 per pupil).
- 2.6 Maintained Secondary School members of Schools Forum **approve or do not approve** de-delegation of Specialist Inclusion Support Service (estimated at £12.00 per pupil).
- 2.7 Maintained Primary School members **approve or do not approve** de-delegation of Free School Meal Eligibility Service (estimated at £17.33 per free school meal eligible pupil).
- 2.8 Maintained Primary School members **approve or do not approve** de-delegation of Insurance services (estimated at £20.00 per pupil).
- 2.9 Maintained Primary School members of Schools Forum approve or do not approve utilisation of the DfE's risk protection arrangements for insurance cover (set at £19 per pupil for the 2021/22 financial year but subject to potential increase for 2022/23).

- 2.10 Maintained Primary School members **approve or do not approve** de-delegation of Staff Costs – Teaching Union and Public Duties (estimated at £4.99 per pupil).
- 2.11 Maintained Primary School members of Schools Forum **approve or do not approve** de-delegation of Specialist Inclusion Support Service (estimated at £11.00 per pupil).
- 2.12 Maintained Primary and Secondary School members recognise that library services, maternity support and contingency are not being offered under de-delegation and they will have to purchase individually any service they require.

3. Background

- 3.1 As part of the funding changes introduced for the 2013/14 financial year, the Education Skills Funding Agency (ESFA) introduced the concept of de-delegation. The process of de-delegation only applies to maintained schools and not to academies. Within maintained schools it only applies to primary and secondary schools and not to special, PRU or stand-alone nursery schools.
- 3.2 The ESFA definition of de-delegation is reported in depth later in this report. In simple terms there are various services that prior to 1 April 2013 the local authority could hold money centrally for if it wished to deliver the service. Now the value of those funds is highlighted as a funding factor. These funds are passed to schools to commission their own services. However, if schools in a phase (e.g. primary / secondary) and the local authority both want the local authority to deliver that service then a decision can be made to pass those funds back (de-delegate) to the local authority.
- 3.3 Clearly while the decision to de-delegate can be informally discussed anywhere, the formal legally binding vote takes place within Schools Forum. The purpose of this report is therefore to ensure that Schools Forum has the opportunity to make an appropriate formalised vote.
- 3.4 This report does not include the significant data about each service where there is the option for de-delegation, as that supporting information has already been provided to those making the decision. An example of this is that Primary Forum discussed this issue at their meetings on 7 October 2021 and received detailed information on each service to inform their conversation. Primary representatives on Schools Forum can use that conversation to inform their vote as they wish. Additionally the relevant secondary heads all received the same detailed information directly prior to today's meeting. However it must be clear that it is only the Schools Forum vote that is binding.

4. Guidance from DfE

- 4.1 The operational guidance from the DfE in relation to de-delegation states the following:

De-delegated services are for maintained schools only. Funding for de-delegated services must be allocated through the formula but can be passed back, or de-delegated for maintained mainstream primary and secondary schools with Schools Forum approval.

De-delegation does not apply to special schools, nursery schools, or PRUs. Where de-delegation has been agreed for maintained primary and secondary schools, our presumption is that the local authority will offer the service on a buy-back basis to those schools and academies in their area which are not covered by the de-delegation.

In the case of special schools and PRUs, the funding to buy such services will be included in any top-up payments. Any decisions made to de-delegate in 2021/22 related to that year only, so new decisions will be required for any service to be de-delegated in 2022/23.

From 2017/18, schools forums have been able to agree to de-delegate further funding for additional school improvement provision for maintained schools.

This provision sits alongside the new school improvement monitoring and brokering grant for statutory local authority intervention functions. This grant commenced in September 2017.

Schools forum members for primary maintained schools and secondary maintained schools must decide separately for each phase whether the service should be provided centrally and the decision will apply to all maintained mainstream schools in that phase.

They must decide on fixed contributions for these services so that funding can then be removed from the formula before schools budgets are issued.

There may be different decisions for each phase. The services which may be de-delegated are:

Additional school improvement services

Contingencies (including schools in financial difficulties and deficits of closing schools)

Behaviour support services

Support to underperforming ethnic groups and bilingual learners

Free school meals eligibility

Insurance

Museum and library services

Licences / subscriptions (other than those paid by the DfE)

Staff costs supply cover (e.g. long-term sickness, maternity, trade union and public duties).

Local authorities should make a clear statement of how the funding is being taken out of the formula for each de-delegated service (for example – primary insurance £20 per pupil, secondary behaviour support services £30 per FSM pupil). There should be a clear statement of how contingencies and other resources will be allocated. Academies will continue to receive a share of funding for these services in their delegated budget.

2022/23 de-delegation arrangements for schools converting to academy status are as follows:

- conversion date on or before 1 April 2022 – no de-delegation*
- conversion date between 2 April 2022 and 1 September 2022 – local authority retains any de-delegation funding until 1 September 2022.*

- *conversion date between 2 September 2022 and 31 March 2023 – local authority retains any de-delegation funding until 31 March 2023*

After the dates specified, the academy will receive the full formula allocation and the department will recoup this from the local authority.

The local authority should continue to provide the services to new academies where funding is de-delegated, if they are asked to do so. If the local authority is unable to provide the requested service, the department expects the local authority and the academy to come to an arrangement to pay the funding directly to the academy.

Exceptions to this would be in cases where contractual arrangement to pay services in advance have already been made, and the local authority does not have the ability to continue to provide this service.

Where there has been agreement that a school is entitled to receive an allocation from a de-delegated contingency fund, that agreement should be honoured if the school converts to an academy at any point in the year.

Where a school converts to an academy in the period 2 April 2022 to 1 September 2022, local authorities will have an opportunity to present an evidence-based case to request a recoupment adjustment for the period 2 September 2022 to 31 March 2023.

Local authorities should report any unspent de-delegated funding remaining at year-end to their schools forum.

Local authorities can carry funding forward to the following funding period as with any other centrally retained budget and can choose to use it specifically for de-delegated services.

5. Insurance Cover Options

- 5.1 Currently a Traded Service, insurance is offered to all Walsall maintained schools (via de-delegation for primary and secondary schools and via traded offer to special schools and nurseries – as these schools are not subject to de-delegation) to buy back the full portfolio of covers including Property, Public & Employer's Liability, School Journey and Minibus insurances. The Council's proposed charge for 2022/23 is £20 per-pupil per year.
- 5.2 By comparison, a 'risk protection arrangement' (RPA) set up by the DfE in 2014 is now also available to maintained schools. The RPA does not technically constitute an insurance 'policy', but in practical terms it operates in identical fashion.
- 5.3 The scope and terms of covers provided by the RPA are at least equal to the Council's corporate insurances policies in nearly all areas – the only exceptions being:
 - Motor / minibus insurance is not offered / covered by RPA but is available on the open insurance market, however the authority can also offer this as standalone cover at a rate of £750 per vehicle per year;
 - Contract Works cover is limited to £250,000 (compared to unlimited cover provided under the council insurance provision), which for the vast majority of

capital projects will be adequate, but if works exceeding this value are planned, then additional cover needs to be arranged. The authority's cover is unlimited;

- Statutory inspection (known as engineering inspection) of lifts, boilers, etc is not provided by the RPA, however this is included within the authority package.
- The Zurich 'Safer Schools' app is free for all maintained schools within the authority's package. This is not offered by the RPA and would incur a charge if schools opted to move to the RPA but wished to retain the app.

- 5.4 The RPA also provides a full claims handling service directly to schools purchasing its service, details of which are available on the RPA website.
- 5.5 Although historically the RPA has only been available to academy schools, following consultation during the autumn of 2019 the DfE decided to extend the RPA offer to all Local Authority Maintained schools.
- 5.6 Following a price increase late last year the current rate, for 2021/22, for the RPA is £19pppy – this represents an increase from the price of £18pppy offered by the RPA in previous years.
- 5.7 It is not yet known whether the RPA will therefore increase prices further from the 2022/23 financial year, however the proposed rate for insurance cover set out by the authority is fixed for that period.
- 5.8 Following the change by the DfE to open the RPA to maintained schools, these schools are now able to choose to opt into the RPA scheme with effect from 1st April 2022, as an alternative to choosing to de-delegate their insurance arrangements back to the authority.
- 5.9 This decision would need to be made en-masse for all primary and secondary maintained schools via a formal vote at Schools Forum, with a vote in support meaning all primary and secondary maintained schools would be opted in to the RPA scheme (similar to a vote for de-delegation to the authority). This option would see charges for the service deducted directly from the Council's Dedicated School Grant (DSG) allocation, with a corresponding reduction in the funding then paid to individual maintained schools.

Work Undertaken by the authority

- 5.10 The insurance de-delegation offer to maintained schools provides the full range of covers (with the exception of motor / minibus insurance which would still see a charge of £750 per vehicle per year) at a rate of £20 per pupil, per year.
- 5.11 Whilst this is slightly higher than the current rate offered by the RPA it does still include engineering inspection cover within the price (which the RPA does not, and which is likely to cost more than £1 per pupil if purchased on the open insurance market), and also provides schools with the benefit of retaining the local knowledge of each school and a local named response / support for managing insurance activity and claims. It also provides schools now with a fixed rate for the 2022/23 year and removes any risk of additional increases that may need to be proposed by the RPA.
- 5.12 A full comparison of the covers proposed by the council, and those currently offered by the RPA are set out at Appendix 1.

6. Financial implications

- 6.1 Where the decision to de-delegate is not approved schools will need to identify the costs of procuring the service directly and ensure that they account for these costs when setting their school budget.

7. Legal Implications

- 7.1 Where the decision to de-delegate is not approved schools will need to ensure they follow the correct rules in terms of procuring alternate services.

8. School Improvement

- 8.1 No issues directly arising from this report.

9. Members eligible to vote

- 9.1 Only maintained secondary members (or their nominated representative) with voting rights are eligible to vote on this issue for Secondary Schools.
- 9.2 Only maintained primary members with voting rights are eligible to vote on this issue for Primary Schools.

Appendix 1 – Comparison of Insurance Covers Offered by the council and the RPA

Perils	Council De-delegated Offer		RPA	
	Cover	Excess	Cover	Excess
Lightning	✓	£0	✓	See Note 2
Explosion	✓	£0	✓	See Note 2
Aircraft	✓	See Note 1	✓	See Note 2
Riot	✓	£0	✓	See Note 2
Civil commotion	✓	£0	✓	See Note 2
Earthquake	✓	See Note 1	✓	See Note 2
Malicious damage	✓	See Note 1	✓	See Note 2
Fire	✓	£0	✓	See Note 2
Storm	✓	See Note 1	✓	See Note 2
Terrorism	✓	£0	✓	See Note 2
Flood	✓	See Note 1	✓	See Note 2
Escape of water	✓	See Note 1	✓	See Note 2
Impact by vehicles	✓	See Note 1	✓	See Note 2
Falling trees/branches	✓	See Note 1	✓	See Note 2
Leakage of oil	✓	See Note 1	✓	See Note 2
Glass breakage	✓	See Note 1	✓	See Note 2
Theft	✓	See Note 1	✓	See Note 2
Accidental damage	✓	See Note 1	✓	See Note 2
Business interruption	✓	£0	✓	See Note 2
Works in progress	✓ - unlimited	£0	✓ - £250k	See Note 2
Money	✓	£0	✓	See Note 2
Fidelity Guarantee	✓	£0	✓	See Note 2
Computers	✓	See Note 1	✓	See Note 2
Public Liability	✓	£0	✓	£0
Employer's Liability	✓	£0	✓	£0

Hirer's Liability	✓	£0	✓	£0
Motor / minibuses	✗ (*)	£250	✗	n/a
Engineering Inspection	✓	n/a	✗	n/a
Governors' Liability	✓	£0	✓	£0
Libel and slander	✓	£0	✓	£0
Personal Accident	✓	£0	✓	£0
School Journey	✓	£15	✓	£0
PRICE PER PUPIL PER YEAR	£20 (fixed until end of March 2023)		£19 (at time of writing; potential increase in late 2021)	

Note 1 – Excess of £500 applies to primary schools and £1,500 to secondary schools

Note 2 - Excess of £250 applies to primary schools and £500 to secondary schools

(*) Minibus cover – available at an additional charge of £750 per vehicle per year

Schools Forum

12 October 2021

Review of Dedicated Schools Grant - Update on 2021/22 Forecast Position

1. Purpose of report

- 1.1 To inform Schools Forum of the Dedicated Schools Grant (DSG) forecast outturn position for 2021/22.

2. Recommendations

- 2.1 That Schools Forum note the updated position set out in the report.
- 2.2 The Schools Forum note that this position will continue to be reported regularly going forward.

3. Background

- 3.1 Schools Forum has been monitoring DSG expenditure in recent years, and this report provides an update.
- 3.2 As the Schools and Central Schools Services blocks of the DSG are fully committed at the beginning of the year, in agreement with Schools Forum, the forecast will not change through the year and these blocks are therefore not included within this report.
- 3.3 The accumulated surplus on the Dedicated Schools Grant (DSG) at the end of 2020/21 totalled £1.737m. The breakdown of this between allocated and unallocated balances is summarised in Table 1 below:

Table 1 – DSG Surplus as at end 2020/21	
Area	Amount (£m)
Balances Previously Allocated to Specific Areas of Investment:	
School Readiness / Early Help	0.072
2 Year Old Places	0.228
2 Year Old Trajectory	0.259
Walsall Association of Governors	0.004
Service Redesign	0.020
Sector Led Improvement Model	0.425
Development of Multidisciplinary Integration Team	0.035
Subtotal – allocated Reserve	1.043
Unallocated DSG reserve – held to manage in year pressures	0.694
Total DSG Reserve	1.737

- 3.4 The unallocated balance of £0.694m is being held by the Authority to manage any in year pressures on DSG seen during 2021/22, in line with the 2021/22

monitoring set out later in this report, and the Authority does not therefore recommend seeking to allocate any of this balance to other projects at this point in time.

4. 2021/22 High Needs Block Monitoring

- 4.1 The 2021/22 High Needs budget and projected expenditure, as at September 2021, is shown in Table 2 below:

Table 2 – High Needs Position as at September 2021			
High Needs Expenditure 2021/22	Annual Budget (£m)	Spend Forecast as at Sep'21 (£m)	Forecast Variance at year end over/ (underspend) (£m)
Place funding Specials	7.094	7.520	0.426
Place funding PRUs	0.921	0.921	0.000
Place funding – ARP's	0.554	0.557	0.004
Top-up mainstream schools & ARPs,	7.087	8.434	1.347
Top-up out of borough schools	1.865	1.865	0.000
Top-up specials schools	10.445	10.153	(0.293)
Top-up pupil referral units	0.628	0.628	0.000
Contingency for PRU & Special	0.269	0.053	(0.216)
Top-up non-maintained special, independent AP & FE	6.701	6.837	0.135
SEN Support Services	3.104	2.854	(0.250)
Other alternative provision incl. home & hospital tuition, support for inclusion, outreach	2.205	2.205	0.000
Tuition Costs	0.000	0.420	0.420
Import/export adjustment	0.326	0.000	(0.326)
Previous year's deficit	0.797	0.760	(0.037)
Updated HNB – July 2021 updated allocation	0.140	0.000	(0.140)
Total Budget / Expenditure	42.137	43.206	1.069

- 4.2 There is currently sufficient unallocated DSG reserve to fund the forecast overspend of £1.069m in 2021/22 (£0.694m unallocated DSG reserve brought forward plus a contribution to reserves of £0.760m shown in Table 2 above, less the currently forecast overspend of £1.069m would leave a small unallocated balance to carry forward of £0.385m).

5. 2021/22 Early Years Block Monitoring

- 5.1 The 2021/22 Early Years budget and projected expenditure, as at September 2021, is shown in Table 3 below:

Table 3 – Early Years Position as at September 2021			
Early Years Expenditure 2021/22	Annual Budget (£m)	Spend Forecast as at Sep'21 (£m)	Forecast Variance at year end over/ (underspend) (£m)
EYSFF - 2yr old entitlement	3.232	3.232	0.000
EYSFF – 3 & 4 year old Universal and Extended Entitlement	14.107	14.107	0.000
EYSFF - Maintained Nursery School supplement	1.307	1.307	0.000
EYSFF – Contingency to manage increases in provision throughout the year	2.319	2.319	0.000
Disability Access Fund for 3 & 4 year olds	0.090	0.090	0.000
SEN Inclusion Fund for 2 year olds	0.020	0.020	0.000
SEN Inclusion Fund for 3 & 4 year olds	0.070	0.070	0.000
Early Years Pupil Premium for 3 & 4 yr. olds	0.275	0.275	0.000
Early Years Support Team	0.500	0.500	0.000
Total Budget / Expenditure	21.920	21.920	0.000

- 5.2 The forecast is currently based on budget. This may change when actual pupil data is known for the autumn and spring term when the October 2021 and January 2022 census data is finalised, and therefore poses a further risk at this point which would need to be managed with any residual unallocated DSG balance referred to at 4.2 above.

6. Financial Implications

- 6.1 Taking account of previous decisions by Schools Forum and the Authority to allocate / utilise a large proportion of the surplus, and the current pressures and risks on DSG funding shown within the report, the overall reserve balance will need to be regularly reviewed going forward.

7. Legal Implications

- 7.1 No issues directly arising from this report.

8. School Improvement

- 8.1 No issues directly arising from this report.

9. Members eligible to vote

- 9.1 This item provides an update on the financial position and no vote is required.

School Forum

12 October 2021

**Local Government Pension Scheme Current Service Pension Costs
Introduction of an annual reconciliation process**

1. Purpose of report

- 1.1 The Local Government Pension Scheme (LGPS) has now introduced a reconciliation process for current service costs at the end of each financial year, effective from 2020/21. This change brings a risk of additional charges for schools, and this report therefore seeks to Provide Schools Forum with information regarding those additional costs and the process for recharging these.

2. Recommendations

- 2.1 That Schools Forum note that the Local Government Pension Scheme (LPGS) now carries out an annual review of current service pension charges, which Walsall Council will review at the end of each financial year and where necessary will allocate to individual maintained schools from 2022/23 (or at the point of conversion to academy if that happens for individual schools prior to that time).

3. Background

- 3.1 Current service costs are pension charges made by the LGPS for a contribution to pension costs of staff currently in the scheme (these are made in addition to past service costs which were previously presented to Schools Forum at the December 2016, January 2017 and October 2017 meetings, whereby the allocation of costs were approved, following consultation with all maintained schools, based on a tiered charge based on the size of the schools budget).
- 3.2 The LGPS have recently, from the start of the current triennial valuation period which commenced in 2020/21, introduced a reconciliation process at the end of each financial year to seek to ensure actual current service contributions made each year are in line with actual pensionable pay, rather than the estimate of pensionable pay made at the beginning of each year, to ensure that there are no shortfalls in contributions to the scheme.
- 3.3 Any potential shortfall identified in the reconciliation process will be passed onto Walsall Council who will in turn need to allocate the relevant proportion of this to maintained schools.
- 3.4 This is in line with the requirements of the Walsall Scheme for Financing Schools which confirms that the authority is required to charge the salaries of school based staff to school budget shares (and this would include costs associated with superannuation charges).
- 3.5 The first reconciliation, which relates to 2020/21, has now been completed by the scheme, however as this is not completed until after the year end (as it is based on actual pensionable pay for the year), the outcome of this has been provided to

the authority after the point at which schools have already set their individual schools budgets for the 2021/22 financial year. It is therefore proposed that the allocation of these reconciled costs to all maintained schools will be processed at the start of the 2022/23 financial year, and the outcome of subsequent reconciliations will follow that same pattern i.e. any additional reconciled costs will be recharged to schools 2 years after the year in which they relate to.

- 3.6 The only variation to the above would be where a maintained schools seeks to convert to an academy in advance of any reconciled charge being made to them, at which point any costs owing would be recharged as part of the academy transfer process to ensure that remaining maintained schools are not left with this liability.

4. Notification of Charging

- 4.1 The overall cost identified by the LGPS from the reconciliation of current service pension costs for all maintained schools for 2020/21 totals approximately £296k.
- 4.2 If a school converts to Academy before 2022/23 then the recharge will be applied at the point of conversion. This is to ensure that the schools balance is determined within the statutory deadline, within four months of the date of conversion.
- 4.3 It is recommended that schools plan for the continuation of these increased charges from 2023/24 when setting budgets.
- 4.4 A breakdown by school along with details of these costs will be shared via 'The Link' to allow schools to include these costs in their budget projections.

5. Financial implications

- 5.1 These charges relate to current service costs (for completeness there is is not a change to the current methodology for allocating past service pension costs so allocation of costs remain equitable across schools).
- 5.2 The additional cost for 2020/21 (and future years) will need to be managed within the totality of funding that is delegated to schools.
- 5.3 The average additional costs based on the LPGS reconciliation of current service pension costs for 2020/21 are shown in the table below:

School Type	2020/21 average additional current service cost – post reconciliation
Primary	£3,463
Secondary	£13,870
Nursery	£1,301
Special	£5,534
PRU	£2,071

6. Legal Implications

- 6.1 No issues directly arising from this report.

7. School Improvement

7.1 No issues directly arising from this report.

8. Members eligible to vote

8.1 This item provides information to be noted by Schools Forum and for sharing with other maintained school colleagues, therefore no vote is required.

WALSALL

SCHOOLS FORUM

FORWARD PLAN OF DECISIONS

The forward plan sets out decisions which the Schools Forum intend to take over the following 4 months. Preparation of the forward plan helps the Schools Forum to programme its work. The purpose of the forward plan is to give plenty of notice and an opportunity for consultation on the issues to be discussed. The plan is updated in the middle of each month with the period of the plan being rolled forward by one month and republished. The plan is available for public inspection at the First Stop Shop, Civic Centre, Darwall Street, Walsall. Copies of the plan can be obtained from Democratic Services, Walsall MBC, Council House, Lichfield Street, Walsall, WS1 1TW. The forward plan can also be accessed from the Council's website at www.walsall.gov.uk.

Please note that the decision dates are indicative and are subject to change. Please contact the above addressee if you wish to check the date for a particular item.

The Schools Forum agenda and reports are available for inspection by the public 7 days prior to the meeting of the Forum. The papers can be seen at First Stop Shop at the Civic Centre, Walsall. The papers are also available on the Council's website referred to above shortly before the meeting. Background papers are listed on each report submitted to the Schools Forum and members of the public are entitled to see these documents unless they are confidential. The report also contains the name and telephone number of a contact officer. These details can also be found in the forward plan.

Meetings of the Schools Forum are open to the public and take place at a venue within Walsall. Occasionally there are items included on the agenda which are confidential and for those items the public will be asked to leave the meeting.

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**FORWARD PLAN OF DECISIONS TO BE TAKEN
BY SCHOOLS FORUM
FROM SEPTEMBER 2021**

DECISION TO BE CONSIDERED	BACKGROUND PAPERS AND CONTACT OFFICER	DATE ITEM TO BE CONSIDERED
SEND Improvement Programme	SEND Team Manager	Standing Item for each meeting
EHCP Performance Framework / Timelines	SEND Team Manager	Standing Item for each meeting
Election of Chair and Vice Chair for 2021/22	Democratic Services Officer	September 2021
School Music Service	Walsall Music Education Hub & Service. Walsall Arena & Arts Centre (Forests Arts Centre)	September, 2021
Update on Local Government Pension Scheme Charges (if required)	Finance Manager	October, 2021
SEND Improvement Programme (Standing Item for each meeting)	SEND Team Manager	October, 2021
EHCP Performance Framework / Timelines (Standing Item for each meeting)	SEND Team Manager	October, 2021
Proposed for Mainstream Schools Local Funding Formula 2022/23	Finance Manager	October, 2021
Maintained Schools Delegation	Finance Manager	October, 2021

Review of Maintained Schools Balances 2020/21	Finance Manager	October, 2021
Review of Dedicated Schools Grant – update on 2021/22 Forecast Position	Finance Manager	October, 2021
Strategic Education and Inclusion Board Update on Impact of Board	Chair of Walsall Strategic Education Inclusion Board and School Governance Manager	October, 2021
SEND Improvement Programme (Standing Item for each meeting)	SEND Team Manager	December, 2021
EHCP Performance Framework / Timelines (Standing Item for each meeting)	SEND Team Manager	December, 2021
Proposed for Mainstream Schools Local Funding Formula 2022/23 (if required)	Finance Manager	December, 2021
SEND Improvement Programme (Standing Item for each meeting)	SEND Team Manager	January, 2022
EHCP Performance Framework / Timelines (Standing item for each meeting)	SEND Team Manager	January, 2022
Mainstream Funding Formula 2022/23	Finance Manager	January, 2022
Central Expenditure Budgets 2022/23	Finance Manager	January, 2022
SEND Improvement Programme (Standing item for each meeting)	SEND Team Manager	March, 2022
EHCP Performance Framework/Timelines (Standing item for each meeting)	SEND Team Manager	March, 2022

High Needs Funding Formula 2022/23 (if required_	Finance Manager	March, 2022
Proposed Early Years Funding Formula for Two, Three and Four Year Olds (if required)	Finance Manager	March, 2022
SEND Improvement Programme (Standing item for each meeting)	SEND Team Manager	June, 2022
EHCP Performance Framework / Timelines (Standing item for each meeting)	SEND Team Manager	June, 2022
Schools Forum Annual Report	Democratic Services Officer	June, 2022
Dates & Venue for 2022/23 meetings	Democratic Services Officer	June, 2022