

FINANCE WORK GROUP

REPORT TO FORUM

17th OCTOBER 2024



Date of Work Group Meeting: Tuesday 17th September 2024

Items discussed (brief summary of key items):

Election of new chair: Members unanimously agreed to appoint Mark Firmstone as the new Chair.

Thanks to outgoing Chair, David Lewis: Mark Firmstone

Minutes and matters arising: The minutes of 18.06.24 were approved

Independent Schools placements spend: overall numbers are about par or slightly down but the average cost at this stage is being reported as a significant increase from £50k to £58k per year. That indicates a significant increase in spend compared to this time in January of well over £600,000.

Since April, 81 children have been placed into independent schools, which is a turnover of about 50%. About half of those have ASD but these children are in Key Stage 4 and post 16 and The Heights does not currently admit those age groups.

In debate these topics were discussed: how these costs and cost increases compared to other local authorities? The data was not available and is to be sourced. A discussion about the reasons for the increase in the average costs took place and whether costs could be recovered from Health and Social Care? Some contribution is received from the Social Care budget but not from the Health budget. The monitoring process of these placements – a new quality assurance process is to be rolled out which includes termly visits to all providers.

2024-25 DSG/HNB Monitoring Statements: in-year overspend of just under £6.9m, in addition to what has been carried forward from previous years. The accumulated position is just under £28m.

In discussion the Work group questioned: How the shortfall is being funded? From council reserves. This needs close monitoring as it will start to impact cash flow. How does Solihull compare to the national picture? The national picture has seen a significant deterioration. Solihull's growth in ECHPs is half the national average.

2025-26 DSG Funding Announcements: no report as delayed by general election

DSG Management Plan and Schools Block Transfer: The DSG Management Plan for 2025-26 is currently underway at the moment and due for submission in January. There will be consultation towards the end of September and start of October with schools and Solihull Parent Carer Voice. The first draft of the DSG Management Plan will come to Schools Forum in October along with any requests for a disapplication/top-slice for a vote.

In debate the Work Group questioned the following: The impact on schools budgets of a top-slice from the Schools block to the High Needs block. The Work Group expressed concern at the impact on school budgets and the students in schools. Schools Forum should consider the findings of the Task & Finish Groups. School Governors should be consulted via School Governors' Association.

School representatives on the Work Group were of the view that a top-slice will detrimentally affect the service provided to high-needs students in school and increase the workload and costs of supporting these students to the Council.

Funding Provision Maps: A presentation on the varying quality of funding provision maps received. The calculation of the notional SEND Budget for schools and its application. The Solihull banding system and top-up payments.

In debate Work Group members questioned whether the cost analysis to schools included staff on-costs which are significant.

Procurement update: Katherine Marsh introduced herself as the new Category Manager for Schools and the list of contracts currently available to schools. The Procurement Act was passed in 2023, new regulations were due to come in October 24 but have been deferred until February 2025.

MWJ Firmstone 27.09.24