**Schools Forum Meeting Minutes of 12th July 2023**

**held via Teams.**

**8.30 – 10.42**

*Approved 27 September 2023*

In Attendance

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| Ruth Bird (RB) - Chair | Jo Barak (JB) | Philomena Cozens (PC) |
| Jeff Fair (JF) | Carole Herman (CH) | Marilyn Smith (MS) |
| Sean Moriarty (SM) | Pam Langmead (PL) | James Saunders (JS) |
| John Hunter (JH) | Sue Bardetti (SB) | Stuart Roberts (SR) |
| Rod Lane (RL) | Harriet Phelps-Knights (HP-K) | Robin Taverner (RT) |
| Richard Potter (RP) | Jinnie Nichols (JN) | Lyn Wright (LW) |
| Nigel Hill (NH) | Claire Styles (CS) | Jody Gee (JG) |
| Ruth Sturdy (RS) | Emily Welton (EW) | Ferliene Willis (FW) |
| Jo Santinelli (JS) | Simon Wall (SW) | James Saunders (JS) |
| Lisa Freshwater (LF) | Chanel Lassman (CL) |  |
| **LA Officers** |  |  |
| Yannick Stupples-Whyley (YSW) | Andrew Page (AP) | Clare Kershaw (CK) |
| Cllr Tony Ball (TB) | Carolyn Terry (CT) | Ralph Holloway (RH) |
| Val Cleare (VC) - Minutes |  |  |

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| **1** | **Apologies for Absence and substitute notices**  Ruth Bird chaired the meeting and welcomed everyone.  **Apologies** had been received from Luke Bulpett, Debs Watson and Scott Bowak.  Ferliene Willis is substituting for Debs Watson and Pam Langmead for Luke Bulpett.  It was noted Patrick Grant from the ESFA will be observing today. Nicola Woolf and Alison Fiala from EEC also observing at today’s meeting. |
| **2** | **High Needs Block Surplus – Ralph Holloway**  RH informed Schools Forum of the surplus balance and medium term forecast for the High Needs Block and sought Schools Forum approval for a one-off allocation of funds for the 2023/24 and 2024/25 financial years.  Table 2 showed the movement since 2018/19 from deficit to a healthy surplus at the end of 2022/23.  The latest forecast position for the High Needs Block, as detailed in Agenda Item 9, for 2023/24 is a £10.3 million underspend. There is an accumulative forecast surplus of £23.8 million at 31st March 2024.  The High Needs Review Group were presented with draft proposals at their  meeting on 20th June 2023 which was shown in Table 3.  If the Authority went ahead and implemented the plans, it is forecast that a **£39.9 million** deficit would occur by 31st March 2029. The implication of such a large deficit is that the Authority would need to seek financial help from the Department for Education (DfE) through the Safety Valve scheme, but this would require the Authority to make significant cuts to expenditure. A usual condition of financial help is an annual transfer from the Schools Block to the High Needs Block. Any planned overspend would require the approval of the Authority’s Section 151 Officer as the deficit will sit on Essex’s balance sheet.  The current annual cycle of one year budget settlements hinders long-term planning. The Authority recognises pressures within the system and therefore plans to implement the following one-off changes for 2023/24 and 2024/25.  Ahead of the introduction of the financial elements of the new banding top  up system in Essex the priority for investment of the surplus is an uplift in the SEN funding going into Essex settings to support children and  young people with an EHCP. A 5% uplift is proposed for top up in special schools, mainstream schools, enhanced provisions and alternative provisions (PRUs) for 2023/24 and 2024/25. The uplift cannot be guaranteed to continue beyond 31st March 2025.  Special schools, enhanced provisions and alternative provisions will receive up to £500 per pupil depending on the balance held by each setting. The  increase is for 2023/24 and 2024/25 and further funding cannot be guaranteed to continue beyond 31st March 2025.   * Schools with less than 210 pupil whose balance is 8% or lower or up to £60,000, whichever is the greater, receive £500 per pupil.   **Questions**  PC did not understand the 8%.  YSW reported the DfE recommended the balance schools held is 5% for secondary schools and 8% for all other settings as a percentage of that years’ funding.  RH confirmed it is that year’s budget and not carried forward.  YSW stated it is that year’s funding which it is measured against, i.e., maintained schools 31/3/23 it would be 2022/23 allocation.  PC informed we are not ignoring reserves. As a trust we pulled our GAG funding, the reserves did not apply to each of our schools. How are you measuring it?  YSW responded we will base it on the funding we give you.  PC said you must know which schools are going to get this money and at what level.  YSW replied, yes.  JB asked does it take into account in-year deficit and also reserves you are holding in order to balance your budget in 2-3 years’ time.  YSW – yes, it will be updated for next year.  JB enquired based on approval when will be informed of what we have been allocated?  YSW responded, the funding will be paid in September.  JB stated base funding was 5% for top up funding but we only got 1%.    YSW stated it depends on balances.  JB informed regarding funding split into base funding and top up, we only got to the base funding. Is that correct?  YSW said all schools will get 5%.  PC emphasised this was a draft at HNB and we knew nothing of this.  JB said this was not what was presented to the HNB. JB was very upset we have still not got any saving as a trust to expand our provision and if penalised for that she would be really annoyed and vented her frustration.  CK apologised these were the proposals presented. There is an error in the paper that RH has presented.  1) These are revised and adjusted proposals based on looking at the long term sustainability of the HNB.  2) CK pointed out this criteria has been applied to other papers. So, this is something that has been endorsed in the past by Schools Forum in respect of decisions which affects capital maintenance contributions from maintained schools and the Falling Rolls Fund.  3) CK said the Local Authority is also looking at some special schools which actually do have a large level of reserves and what we are trying to do is distribute the funding that is equitable across the provisions but also in a way that means we are not giving scarce resources to schools that actually, on paper, do not look like they need it.  It is a balance between all those factors, we are considering across all of the provisions moving forward.  RP suggested a second look. That financial measure identifies schools but in the narrative is held with an explanation for that in-year anomaly which is asked for. Is it worth having a narrative, a second tier?  RS reiterated this was not a proposal brought to the HNB and this is noted. It changes the picture for special schools. We need to look around those special schools that have significant reserves. It is important we have a conversation rather than just looking at the principles. We need a conversation as to why some schools have reserves and look at a 3-year forecast for schools.  CS echoed about the enhanced provision. A school may be healthy, but money is ring fenced and overall figures might not reflect for the enhanced provision.  HP-K reiterated everything which had been said. Mainstream schools are facing exactly the same things. She agreed balances are high so schools are not going into deficit, but every school is in this position.  EW said in terms of the narrative behind in-year surplus, how would consideration be given to those schools? In terms of schools in Mats, pooling resources, how would these be discredited? Essex would have no control how that would work for schools in large Mats.  CK stated it is a question of whether we go back and revisit a review of the eligibility for £500 per place top up funding and a review of a 3-year forecast and whether school will have reserves. This is one part of the paper. CK suggested, if Andrew is in agreement, this is the most problematic that we revisit this element of the paper and will answer Emily’s questions outside of the meeting.  JS felt quite happy with the proposal because it is fundamental and equitable to distribute reserves and do not have the same issues.  AP stated if we are going to look at those balances, we need to take it back to the HNB. This is what the paper is based on. We need to reconsider principles that have been agreed previously.  JF believed there is a principle we need to follow in trying to be equitable. All schools and establishments are on the same place on the same journey. Some schools have more money secure in the past. Because of our lack of certainty in 3 years’ time we will all be in a deficit position. We will try and produce a process approach to ensure balances are sufficient for the short-term problems. We have to assume Government will resolve for especially special schools.  RH reported work is currently underway through ASHE, EPHA, ESSET and the Essex PRUs to develop a programme of outreach support for mainstream schools. An initial funding allocation of £1 million for the 2023/24 academic year is proposed, increasing to £2 million for 2024/25. Further funding cannot be guaranteed beyond 2024/25. A further paper will be brought to Schools Forum in the Autumn term setting out the proposals developed through the current work. Concerns about accessing and transparency. Proposal to bring a further paper to the September meeting what the inclusion framework is and how to access it.  The funding will be revisited on an annual basis once the provisional funding settlement has been announced each July. The effectiveness of each plan  will be reported to Schools Forum and if a plan is not achieving the desired outcomes, it will be ceased. Table 5 shows a summary of the funding for  2023/24 and 2024/25.  **Questions**  JB commented she understood you cannot guarantee funding without success parameters. She pointed out about accessing funding with the outreach model and that was making recruitment difficult and not being able to guarantee permanent employment. JB would like guarantee if successful and that funding will continue.  RH stated if we set the criteria, it should not be difficult to measure.  RP believed potentially we are taking into account previous statement about recruitment retention being an issue. RP suggested using inclusion partners across the county to look at the effectiveness.  PC informed at Heybridge we will be full and no capacity, unless reduce exclusions. There is trauma attached to being excluded and we have to do something about it, and we all have to work together to do something about it.  CK agreed with both. We see an impact on consistency approach around inclusion, investment in outreach and inclusion framework.  RP asked is this making a difference in the system or do we have a group of schools not engaged. We will do a full review of the data coming through for 2023.  RH mentioned proposal for investment in outreach for the next financial year which will come to the Autumn Schools Forum.  CK was disappointed to hear from JG, but CK informed we did share feedback on Friday last and schools are really benefitting from access to the framework. We are testing with Headteacher voice the investment.  JG indicated we have been doing testing in the background with some schools. It was going to be launched in September and more information on how to bid for the money. It would appear there is a lack of transparency where money is going and how to bid for it.  RH continued with 4.18.  Whilst it can be seen an estimated surplus balance of **£14.7 million** will  remain at the end of 2024/25 due to the uncertainty created by one-year funding settlements, the Authority cannot commit at this stage to continue the proposals beyond 2024/25 as a potential deficit of **£11.4 million** could occur by 31st March 2029. The sensitivity analysis shows how a  percentage change either way can significantly change the forecast and  therefore, caution is needed to ensure a deficit does not occur.  RB felt this should go back to the HNB in September.  CK indicated the only thing that has changed is the balance criteria for **£500**, everything else is the same.  YSW agreed. The only other change would have been **£2 million** for outreach.  JF did not see any point in sending this back to the HNB. There are difficulties but it is trying to look at how to help establishments at the moment.  RH agreed with JF that there is no point bringing it back for discussion at the HNB. There is an issue around recruitment, but we would struggle to spend money in an academic year anyway.  **Recommendations**:  That the Schools Forum noted the accumulative forecast balance and the medium term forecast for the high needs block.  That Schools Forum approved the one-off allocations from the surplus balance at 4.10 to 4.14 – as set out below the voting.  **Voting**  **4.10 – 4.14 - CK suggested this is done separately.**  4.10 – majority voted in agreement.  4.11  JB asked will there be clarification around on balance held?  CK explained there are two issues. The balance criteria is a principle that we have adopted now within Schools Forum. If we were to adjust the principle of the criteria being added to this proposal, we would have to rework that principle as in other areas.  JB said within schools now so that we can plan.  AP stated we have already made decisions on funding in previous Schools Forum, if looking to change this now.  JB was not asking to change principles and was not disputing. It is so that schools can plan for the academic year.  AP said that is the value.  JB asked when each school will know if getting £200 or £500. There are principles that may affect the decision.  CK stated that is the bit that is complex. The application of the principle has not taken into account forecast of balance over time. We agreed the balance situation as of now.  JB asked when will schools be notified?  YSW stated there is an indicative timeline to let schools know by end of term.  **Voting - 4.11**  **13 - for; 5 – against.**  **Over 50% voted for, which will be carried.**  **4.12 Agreed.**  **4.13 Agreed.**  **4.14 Agreed.**  JB said the workforce is with more IP’s. Do you have a view?  RH responded this is not an expansion of the workforce. It is to support the workforce internally. This will come in the paper in the Autumn term. |
| **3.** | **Schools Contribution to Capital Maintenance – Lisa Freshwater**  The report sought approval of Schools Forum to increase the current contribution from £40 per pupil to £50 per pupil, using a tiered approach dependant on each school’s revenue balance from 1st April 2024.  It is proposed to use the DfE recommended level of revenue balances, as  used in the balances criteria within the Falling Rolls Fund, to determine the  contributions each school should make. The proposed tier approach is detailed below.   * Small primary schools with 210 pupils or fewer with revenue balances of £60,000 or up to 8%, whichever is the higher, will continue to contribute £40 per pupil. * Primary schools with 211 pupils or more with revenue balances below 8% and secondary schools with revenue balances below 5%, will continue to contribute £40 per pupil. * Schools with revenue balances above 8% (above 5% for secondary schools) but less than 20% will contribute £45 per pupil. * Schools with revenue balances of 20% or higher will contribute £50 per pupil.   Revenue balances are shown as a percentage of the revenue budget allocation for the relevant financial year.  **Questions**  RS said this is for maintained school members only.  CS stated it is not known how schools will react.  JB felt considering the information in the paper and the last increase, she thought it is a fair request.  JN added we needed our boilers replacement nearly £300k but our contribution was £3k.  SB agreed with the costs and understood why there should be an increase.  **Recommendations:**  For maintained school members to agree the recommendation of the Finance Review Group (FRG) to increase school contributions from £40 per pupil up to £50 per pupil, using the tiered approach at 4.5 from 1st April 2024.  Maintained school members agreed the recommendation. |
| **4.** | **Early Years Funding 2023/24 – Carolyn Terry**  The report updated Schools Forum on the outcome of the consultation with Early Years settings on the distribution of the former teachers pay and pension grants and sought the support of Schools Forum to delegate the decision of increasing funding rates for Early Years settings to the Chair, Vice-Chair in consultation the two Early Years representatives.  Table 2 showed the majority of responses are **not** in agreement with the proposal. The Authority wants to use a supplement to ensure funding goes to the schools that received the former teacher’s pay and pension grants. Forum came to the ‘bigger view’ that the funding should be distributed to the schools that previously received it.  4.6 reported headlines on additional funding being distributed from September. The DfE recently announced a one-off Early Years Supplementary Grant, but funding will revert back from April 2024.  Table 3 showed the increased rates for Essex for three and four year-olds.  JF asked for clarification in terms of funding. Is this funding believed to be the real rate anticipated beyond April 2024?  CT informed that level will increase from April next year. This money will be added to the Early Years Block from April.  YSW agreed.  **Recommendations:**  The Forum agreed to distribute the former teachers pay and pension grants via a Quality Supplement to all eligible schools.  The Forum noted the details of the additional funding from September 2023.  The Forum agreed to delegate the decision to increase funding rates for 2023/24 to the Chair and Vice-Chair of Schools Forum in consultation with the two early years representatives. |
| **5.** | **Falling Rolls Fund – Yannick Stupples-Whyley**  YSW presented to the Schools Forum an additional application received for the Falling Rolls Fund. Since the previous paper there has been one more application from Finchingfield Academy. 4.3 showed information received from Finchingfield Academy to support their application.  Table 2 showed the schools that were contacted and those that have made a subsequent application.  Table 3 shows the overall funding, previously approved, for 2023/24 and indicative funding for future years based on the school’s pupil forecasts.  Balances recorded at Companies House shows a surplus. They have a new Chief Finance Officer and have provided reports showing the academy is heading into a deficit position. It meets all the criteria. The FRG has reviewed the application and recommended that Schools Forum approve it.  **Questions**  PC referred to the list on Table 2. Did all of them still apply? PC was not sure why only considering Finchingfield.  YSW said it depends on each school meeting the criteria. Finchingfield meets the criteria, however Great Bardfield does not meet the criteria.  PC observed other schools do not meet the criteria.  YSW responded we think they have not applied and do not meet the criteria.  JF stated this is the third time that Falling Rolls Fund has come to Schools Forum for approvals.  **Recommendations:**  The Forum agreed the recommendation of the Finance Review Group that Finchingfield Academy receives Falling Rolls funding for 2023/24.  The Forum approved the Falling Rolls Fund is increased by **£58,000** to be funded from the Schools Block underspend in 2022/23. |
| **6.** | **Any other business, feedback from schools through Associations and from Schools Forum representatives on other Bodies.**  **ASHE**  CH highlighted many issues noted before. In particular it has been a challenging year for secondary schools and secondary school Headteachers. One area discussed earlier in regard to outreach and alternative provision where we have been really pleased meeting have been helpful. There has been a difference from what we heard at the HNB meeting and here today.  The Forum focused on alternative funding and outreach going forward. Funding needs to be considered as discussed earlier. Another area is the travesty of the Ofsted framework and delivery of that. We were pleased CK has a meeting with the East of England representative in October. It was noted before about recruitment being an issue both for teachers and support staff, and teachers in general with specific subjects challenged, such as Maths is difficult. Recruitment continues to be difficult as does managing the strikes during the year. Headteachers had shared concerns about under funded settlement will put support issues brought forward by the new NEU. Concern remains however about the pay settlement for teachers unfunded difficult going forward.  CK replied she did not have any objection to PL and the Vice Chair attending a meeting with Ofsted.  **Action: CK to send PL details.**  **EPHA**  HPK mentioned the pressures we heard about in the first agenda item are really for primary schools. There is still and issue with Lag to send funding, and do not know when getting it. Some of the new EHCP’s have got new banding on as this is still being determined. HPK has spoken to RH about this but it is still happening and needs to be considered from finance. Energy price increases varies from school to school. Unfunded pay awards and impact of primary schools to increase to 32-hour week from September. Recruitment and retention is an issue. EPHA continues to support with retraining and supporter programme for Heads and Governors.  **ESSET**  Issues as raised previously. EW spoke about the partnership working across the education sector. There have been positive solutions, and everyone has been focused in getting the best in young people. We should also acknowledge that our staff are doing a cracking job. EW stated our young people are achieving incredible things because of this work. We need to hang on to those positives because of dedication of staff.  **PRUs**  JB celebrated the hard work PRU’s staff have done across Essex to support pupils. There has been a huge demand and unfortunately most of our time goes into statutory obligations we have. JB welcomed all of the work and meetings that have taken place so far regarding outreach. JB was disappointed with the changes in the paper today but hoped it will not detract from work going forward. It is hoped we can develop outreach.  JB noted Philomena Cozens is coming to the end of her term of office.  NB. YSW has emailed PC to ask her if she would like to continue on Schools Forum.  **Early Years – Nurseries**  The main issues as most likely similar to most remains recruitment and quality of recruitment, SEND support and the level of children's needs which are becoming increasing higher and larger numbers of children needing support. There was also feedback of time taken to process EHCP's with some children nearer the end of term and still not having these in place for school.  **ESGA**  RL commented it has been very much the same as all Headteacher assessments, funding, staffing etc.  **Unions**  JF was deeply frustrated with the Government not engaged for the last six months of discussions. He was deeply concerned about the publishing of salary commitments in the last week of term. These used to be published earlier. JF voiced concern about the fully funded pay rise. Unions were impressed how schools worked together to deal with the funding issue and that impacts on support staff as well. JF was aware that staff will lose out. JF was also concerned with the high level of workload everyone is under from Headteachers down to Early Years teachers and working at an unsustainable rate and showing that turnover in schools and education. So many teachers have left education within 3 years.  **Unison**  MS agreed with everything JF had said. There are deep concerns on the impact now and in the future of the failure by the Government to fully fund. Recruitment and retention continue to be an issue. Unfortunately continuing with consultation meetings with support staff of schools has an impact on education and young people.  **Church Rep**  JS informed there was nothing to raise on behalf of the church schools, but simply to point out that the Diocese of Brentwood extends from the Suffolk border to East London. Everything resonates with us from the same concerns.  **High Needs Review Sub-Group**  This Group had met on 20th June 2023.  **Finance Review Group**  This Group had met on 20th June 2023.  **Early Years Sub-Group**  The Group had met on 15th June 2023.  **Any Other Business**  None. |
| **7.** | **Minutes of 17th May 2023**  Amendments were made to Item 6 – Marilyn Smith feedback and from Rod Lane.  The minutes of the last meeting were accepted as a true record. |
| **8.** | **Minutes Action Log – Yannick Stupples-Whyley**  Early Years surplus balance is in progress.  Agreed **£1.9 million** at the last meeting, now awaiting financial adjustment 2022/23 financial year (next week). Then will bring more proposals to the September meeting.  The cost benefit analysis of underspend proposals.  In progress and will be presented at a future meeting.  **Action: YSW to discuss with CT the September agenda**. |
| **9.** | **Schools Budget & Education Functions Q1 Forecast Outturn 2023-24 –**  **Yannick Stupples-Whyley**  YSW updated Schools Forum on the forecast outturn position for the year-ended 31st March 2024 for both the Schools Budget and Education Functions.  The total Dedicated Schools Grant (DSG) expected to be received for  2023/24 after academy recoupment is **£596.9 million**.  The DSG forecast underspend for 2023/24 is **£11.2 million**. Table 2 showed the overall forecast DSG balance at 31st March 2024.  HNB and Early Years Block is in line pending announcement of final adjustments 2022/23.  The surplus carry forward related to the contingency held for schools who admit a significant number of refugee or asylum seeking children of which **£645,000** remains.  The Authority received **£685,000** for summer term growth payments to  academies. The growth fund budget included these payments so the  funding is a windfall to the Schools Block.  The surplus balance in the Central Schools Services Block is built up over several years. The underspend in 2022/23 **£900,000** was due to utilising other funding streams for School Effectiveness Partners which reduced the  cost to the CSSB. The balance is held in anticipation of the impact of future funding changes that the DfE has mentioned in previous consultations.  The significant variations contributing to the outturn position are:  **Schools Block - £1.1 million underspend**  **Central School Services Block - £178,000 overspend.**  **High Needs Block - £10.3 million underspend**  Independent special schools are forecasting a **£3.7 million** overspend due to an increase in volume and the cost of placements.  SEN Services is forecasting an underspend of **£13.9 million**. The main  cause of the underspend is the HNB contingency **£12.9 million** which has arisen due to funding increasing faster than expected demand. The  contingency is held partly to offset in-year pressures and proposals have been presented in Agenda Item 2 to utilise the surplus. The Authority has  decided not to contribute to the pension deficit in 2023/24 resulting in a  **£753,000** underspend. The remaining **£200,000** underspend is due to  vacant posts.  Education Functions – Table 3 showed a total of £3.08 million which had been agreed at the Forum meeting on 30th November 2022 for all schools which is broken down into Education Welfare, Strategic Management and  Asset Management.  Also, at the meeting of 30th November 2022, maintained members of  Schools Forum agreed to de-delegate from maintained school £48.10 per  pupil to fund the education functions shown in Table 4.  Table 5 showed the forecast outturn position for 2023/24 which is online.  **Recommendations:**  The Forum noted the forecast outturn position for the year ended 31st March 2024. |
| **10.** | **Forward Plan – Yannick Stupples-Whyley**  YSW read this out and confirmed the dates of future meetings up to 10 July 2024. As suggested last time have added either face-to-face or virtual.  PL agreed with the dates. However, PL pointed out that Wednesday, 15th May 2023 is during SATS week.  Action: YSW noted. YSW to change the date of the May meeting.  **Recommendation**  The Forum noted the dates of future meetings and that additional items as proposed by Schools Forum are included in the Forward Plan. |
|  | **Any Other Business**  None. |
|  | **Chair’s Closing Comments** (Ruth Bird)  RB thanked everyone for attending the meeting and also for everyone’s support over the year. She wished everyone a happy summer holiday.  RB thanked Philomena Cozens for all her years of service.  CK thanked on behalf of ECC to all members of the Forum for their involvement and in-depth discussions.  YSW and AP were formally thanked for all the work they do in preparation for the Schools Forum and how the system works.  RB also thanked VC for minuting Schools Forum meetings.  Cllr Ball thanked both RB and CK for their hard work.  **Date of next meeting – Wednesday, 27th September 2023 at 8.30am**  at Hamptons Sports & Leisure, Tydemans, Beehive Lane,  Chelmsford CM2 9FH.  This meeting will be in-person. |