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**Schools Forum Meeting Minutes of Wednesday 28th September 2022**

**held at the Hamptons Sports & Leisure, Tydemans, Beehive Lane, Great Baddow, Chelmsford CM2 9FH**

**08.30am – 10.16am**

Approved 30 November 2022

In Attendance

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| Rod Lane (RL) – Chair | Jo Barak (JB) | Luke Bulpett (LB) |
| Jeff Fair (JF) | Carole Herman (CH) | Marilyn Smith (MS) |
| Sean Moriarty (SM) | Debs Watson (DW) | Chanel Lassman (CL) |
| John Hunter (JH) | Emily Welton (EW) | Stuart Roberts (SR) |
| Claire Styles (CS) | Harriet Phelps-Knights (HP-K) | Robin Taverner (RT) |
| Nigel Hill (NH) | Pam Langmead (PL) | Lyn Wright (LW) |
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| **LA Officers** |  |  |
| Yannick Stupples-Whyley (YSW) | Andrew Page (AP) | Clare Kershaw (CK) |
| Val Cleare (VC) - Minutes |  |  |
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| **1** | **Apologies for Absence and substitute notices**  Apologies had been received from Cllr Tony Ball, Ruth Bird, Simon Wall, Jo Santinelli, Philomena Cozens, Richard Green, Clare White.  Emily Welton substituted for Simon Wall, and Pam Langmead substituted for Richard Green. |
| **2** | **Early Years Funding 2021/22 and 2022/23 (Carolyn Terry)**  CT updated the Forum on the revised Early Years funding for 2021/22 and 2022/23 and sought Forum’s agreement for an increase in the FEEE funding hourly rates for 2022/23. CT also updated the Forum on the proposals to allocate **£5.1million** of the Early Years Block underspend.  CT gave an overview of the percentages of children taking up funding. The take-up of the two-year-old FEEE during the summer term 2022 was 3,209, which was 77.1% of the 4,164 eligible two-year-olds in the county. Although this take-up figure is down on the previous term of 82.7%, which is not unusual for the summer term, but remains significantly higher than the national take-up level for the summer 2022 term of 61.8%.  Section 5 gave a breakdown of the financial implications. Table 2 showed the impact of the January 2022 Census on the 2021/22 allocation, in which there has been a budget increase of **£2.7 million**. This table gives a breakdown of what the original allocation was and financial allocation of **£2.652 million**.  The Local Authority reported a **£2.5 million** surplus within the Early Years Block. It was agreed that part of the underspend would be as a one-off additional payment of £1 million paid out to the Early Years sector on the number of funded hours paid to each EYCC setting in 2021/2022 financial year. We are also retaining a **£1 million** contingency due to the volatility in funding. This left **£500,000** to be allocated with options to be brought to the September meeting. However, the additional funding resulted in **£3.2 million** being available to be allocated to the Early Years sector, so original plans are being rethought and will be brought to the November meeting.  Table 3 showed the impact of the January 2022 Census upon the 2022/23 allocation, where it can be seen the allocation increased by **£4.7 million**.  Table 4 showed the proposed increase in hourly rates for 2022/23 based on available funding.  There was an update from the Schools Forum Early Years and Childcare Reference Group and the key areas of discussion were under 6.2 with the emerging SEND and understanding transient needs as a result of Covid. ECC will be concluding a review into the SEN offer for Early Years and childcare providers during the autumn 2022 term. Other areas of pressure for the sector are cost of living impact, increase in national minimum wage, utilities, food etc., and recruitment and retention. This is impacting a small number of increases of closures of childcare providers. In Essex we are taking steps to mitigate financial difficulties by starting to limit the number of FEEE funding hours. As a result parents are needing to pay for more for their childcare.  **Questions**  SM referred to Table 4 and Section 5.5/5.6 – Will all of the **£4.7 million** be used up of accessed funding that has been identified in the current year?  No, because the money is likely to be paid back to the DfE unless more children take up the funding.  SM asked how much money is being used?  CT & YSW commented it was **£2.2 million**.  JH commented on the increase in children with SEND. Is that to be reflected in future years?  CT responded we are doing work on understanding what we are seeing. We do not want to label children with SEND.  JH indicated if it is an increase in SEND, what does that mean and what can we do to address that?  CT responded to bring a report back on this.  JF observed there was highlighted concern about sustainability of funding and the pressures providers are placing in the system? Is there difficulty in the Local Authority maintaining its provision because providers are not going to be there or in the right place? It is a real worry.  CT agreed and some Local Authorities are finding this. Some providers – there is nothing they can do to the business model. The real increase rate is welcomed but it has helped to close the deficit. It has not addressed the cost of living. There is lobbying with Central Government looking at reductions in rent.  JF stated with regards to the political situation we are in, Schools Forum is to highlight concerns. Provision has been good until now and it is likely to be more problematic. YSW referred to the consultation on Early Years funding and it is guaranteed only 1% increase per Local Authority.  RL said we might want to wait until the November meeting, when information will be clarified regarding the energy situation.  JF believed if you to take energy out of it, we have already covered part of it in the response to the consultation.  DW indicated we are waiting on an announcement for nurseries about funding for all maintained nurseries. We met after the last meeting and if we can once we have got the announcement look at the funding. DW stated whether SEND or Covid, all these children are under additional support and the schools are going to need additional support. In September might be waiting on lists for special schools etc. In Early Years we are trying to get the support now. The situation is getting worse; managing needs in our settings is increasingly difficult due to the funding. Intervention starts at 0-5. There is pressure on Early Years staff to get the children into school. For example, looking at the journey before they are in school, those who have not got a place will be on a waiting list, and children will not be in the right place. Children need a different package for different reasons, and it is not getting any better. The next meeting of the Sub Group is 3rd November 2022.  YSW spoke about the maintained nursery supplement. The DfE has announced an extra £10 million, a set funding floor of £3.80 per hour and that will benefit Essex because we are below the floor that has been set.  **Recommendations**  The Forum noted the revised funding for 2021/22 at 5.2 and 2022/23 at 5.5.  The Forum noted the revised surplus balance to be allocated to Early Years providers and options to allocate it will be brought to the November meeting, 5.6; and  Agreed the increase in the hourly rates for 2022/23 at 5.6. |
| **3.** | **Provisional School Funding Settlement 2023/24 (Yannick Stupples-Whyley)**  YSW updated the Forum on the provisional school funding consultation for 2023/24 and the proposal of two changes to consult with schools.  Funding has increased nationally by **£1.5 billion** in 2023/24 with the Schools Block increasing by **£930 million** and the High Needs block increasing by **£570 million**. Table 2 showed the provisional allocation for 2023/24. Table 3 showed how the DfE has added the Schools Supplementary Grant into the Schools Block.  The **£20.8 million** increase represented the additional funding generated by the DfE inflating the values of the NFF factors. The primary unit of funding (PUF) increased from **£4,507.16** in 2022/23 to **£4,719.90** in 2023/24, and the secondary unit of funding (SUF) increased from **£5,797.24** in 2022/23 to **£6,115.81** in 2023/24. These values are final and will be multiplied by the total number of pupils on the 2022 October Census.  Table 4 showed the increase in the value of the minimum per pupil level for 20223/24 and there is a slight uplift.  Central School Services Block – the historic commitments were funded at the previous year’s allocation, but the DfE commenced a winding down process reducing in 2019/20 with an annual 20% reduction. The provisional allocation for ongoing responsibilities is **£7.5 million**, which is an increase of **£75,000** due to an increase in the amount funded per pupil. Of the historic commitments the Local Authority will apply to the DfE to request our allocation is protected at **£3.8 million** in 2023/24. The provisional allocation assuming the historic commitments allocation is protected is **£11.3 million**, however **£761,000** is at risk until the DfE approve the request to protect the funding.  With regards to the High Needs Block the national increase is **£570 million** in 2023/24 compared to **£1.1 billion** in 2022/23.  **Changes for 2023/24**  Local Authorities must use all NFF factors where previously the only mandatory factors were basic entitlement and deprivation funding. Local Authorities must move their local formula factor values at least 10% closer to NFF, except where local formulae are already mirroring the NFF. The minimum funding guarantee has been reduced (currently at 2%) and the Local Authority must set this between 0.0% and 0.5%.  Table 5 showed NFF values for primary schools for 2023/24 which are looking at just over 2%. Table 6 showed NFF values for secondary schools for 2023/24  Section 6.4, Table 7 showed the calculation of the minimum and maximum values for primary schools in 2023/24. YSW referred to the column Area Cost Adjustment (ACA). Essex had a London weighting so some schools got fringe allowance using the non-fringe adjustments, see minimum and maximum funding. We have undertaken some modelling of the formula. All we can use is data from the October 20221 Census and allocated through the funding formula.  Section 6.7 it was noted for secondary schools the KS3 value is below the minimum £4,681.94 allowed and the KS4 value is above the maximum £5,647.53 allowed. This can be remedied by changing the KS3/KS4 weighting from 1:1.218 to 1:1.20. The KS3/KS4 weighting in the NFF is 1:1.127.  Section 6.8 – A second model was run using the ACA uplifted NFF values for 20223/24 to ensure all schools received an uplift to recognise the geographic cost differences. FRG is recommending changes to the Essex local formula for 2023/24. There will be a consultation – see Annex A – finance model showing proposed changes, and see Annex B – showing draft consultation document.  JF highlighted the FRG is keen to make sure consultation does not require a lot of thinking by schools. We have made it as clear as possible. We felt it was helpful to maximise the way funding is done for schools.  YSW needed the Forum to ratify the proposed changes and then release the consultation.  **Recommendations**  The Forum noted the provisional school funding settlement for 2023/24 at 4.3.  The Forum agreed the recommendations of the Finance Review Group (FRG) for changes to the School Funding Formula for 2023/24 at 6.10.  The Forum agreed to the FRG approved consultation document for schools at Annex B. The Forum noted the provisional school funding settlement for 2023/24 at 4.3. |
| **4.** | **Scheme for Financing Schools (Yannick Stupples-Whyley)**  YSW reported on the proposal to maintained school members of proposed changes to the Scheme for Financing Schools for 2023/24.  The Scheme for Financing Schools contains a clause permitting schools to borrow from any schemes that the Secretary of State has said is available to schools. Previously this included the Salix Scheme which is currently closed.  YSW drew attention to the Loan schemes – Section 4.8. Where the school has a surplus balance or can afford to fund the redundancy costs through a deficit loan over a maximum of 5 years, in accordance with the terms in Section 4.7 of the Scheme for Financing Schools. FRG supported the changes under Section 4.7.  **Questions**  JB asked what is the likelihood of schools to take out a loan to fund a redundancy?  YSW stated previously where a school currently in deficit but reported we have not had many claims. It is at least two financial years since we have had a claim.  **Recommendation**  The Forum agreed the Finance Review Group’s recommended changes to the Scheme for Financing Schools for 2023/24 at 4.2, 4.3 and 4.8. These proposed changes will be consulted with maintained schools. |
| **5.** | **Any other business, feedback from schools through Associations and from Schools Forum representatives on other Bodies.**  **ASHE**  CH commented most schools are concerned about unfunded pay increases for staff and the impact on budgets and equally energy costs, which leaves schools in huge state of uncertainty. The majority of schools to be able to balance their budgets for a year but beyond that it will be difficult. The other element is the new funding arrangements for PRU’s where costs not paid directly by schools. Concerns from schools what is not part of that agreement is capacity of charged work and this has funding implications and is under discussion.  **EPHA**  HPK highlighted financial pressures. We did agree at FRG that at area meetings we would brainstorm what would not be happening as a result. Our EPHA colleges supporter programme continues and have 59 new Heads across Essex and expanding the programme as needs be for other senior leaders in schools. Headteacher wellbeing is still a priority. We are still promoting hard to help. Our EPHA priorities looking at reading with SEND focus and outreach from ESSET and SEN schools and those transition points.  **ESSET**  EW informed things are very similar with lots of concerns around the cost of living, staff absence and career impact. Staff wellbeing is incredibly high on the agenda. Finance pressures are significant and having to absorb all the other pressures in schools. Recruitment is a challenge for us, particularly around support staff because of cost of living increase and staff have left. There is a high turnover which is causing problems and pupils need consistency in staffing. Admissions and trying to plan effectively. There are more and more tribunals. Revalue exercise uncertainty about what that looks like. ESSET is working out an outreach offer and is meeting tomorrow (29/9/22) about how to support mainstream colleagues but will take financial commitment from others.  **PRUs**  JB reported there has been an increase in SEND, impact of Covid, and an increase in KS3. We started a new funding agreement and slight changes to the referral process and are awaiting all feedback from schools and reviewing this. There will need to be a consistent review this term. Agreed with the need for further outreach support for schools. Cost of living pressures is a concern as well as other schools.  **Early Years – Nurseries**  CL indicated sometimes we do not get the same support. There are staff retention pressures. There are a lot of children coming through with SEND. A lot of our children who are receiving additional funding for SEND do end up with a diagnosis. There is slow intervention with parents which we are not getting in Early Years. Extra funding gives no support anywhere else. There are business costs, wages, national insurance etc.  It is the same for maintained nurseries. We are now not sure about the budget for next year. The point raised about children coming through and what support there is, is quite worrying. Lots of children has not seen anyone and actually need that support and the impact on staff is huge. This is the first time I have reached the point where I have to say no to taking any more children in because of the levels in school and do not have staff to manage SEND children and what about the rest of mainstream? There is an impact managing our teams across the sector. There is work to do this year on how to support transition and earlier, not July. We had 26 schools and started the conversations in April. July is not the right time when have children with needs coming through. From a funding point of view, children get the right support at the right time, not just the children but the staff that are managing their needs in Early Years and schools and everyone needs support to meet those needs.  **ESGA**  JH agreed with what had been said so far. He added about an item on the news about flu. Immunity has been reduced in the last two years, but now people are mixing more there is a huge increase in flu. They are recommending everyone has a flu jab as soon as possible. Also Covid is likely to increase over the winter period as well. We are still getting staff being absent with Covid. We are recommending staff get their Covid booster jab. NH echoed everything that had been said.  **Unions**  JF reported the main concern is funding and retention and pay. We are going through a consultation process about industrial action regarding a pay award. The retention rate in schools is so bad with reduced contracts having been made. There is concern a lot of members are stressed where schools are making best decisions but have been asked to do the impossible. Impacts on headteachers because they are trying to manage the situation. There are huge concerns people are dissatisfied in their employment.  **Unison**  MS indicated it is retention of staff which will have impact on SEND children and agreed with JF.  **Church Rep**  There was no representation and no report.  **High Needs Sub-Group** -  All noted the report.  **Finance Review Group** – the FRG had met and is a main item on the agenda. JF stated as a group the de-delegation has been updated. There is uncertainty what the Government is doing or not. We do not know what we are trying to decide on. CK informed we had no information about the increase in energy bills and what the Government’s response would be. However, we have got that now to work through. Also we are still working out internally about the removal of the Local Authority Brokering Grant. JF supported the response of FRG. We can put forward figures but will do the work for November. CK indicated if there is an increase in the levels of de-delegation, there needs to be a strong case but that is not done yet. All noted the report.  **Early Years Sub-Group** – Early Years has met, and information is on the agenda. These minutes were noted. If anyone has any thoughts about Early Years to send them to Carolyn Terry by email (email address for CT is at the beginning of Agenda Item 2).  **Any Other Business**  RL noted a number of people could not attend this morning’s meeting in person. We agreed this arrangement for the September and January meetings only. How do people feel about it?  JF recommended we continue to have a clear and frank discussion and talk outside of the meetings especially in September and January about the budget and decisions. There is more to have a meeting than just seeing a face. You get a better impression of what people are thinking by seeing them in the meeting. When it is face to face it is important to have the whole communication process of being with people which comes into play.  SM asked had we investigated having meetings such as this where there is access remotely? Since Covid we have pursued in Governor meetings, however you need the technology. You can do that here at Hamptons Sports & Leisure.  CK said the only downside is it will be remote.  SM asked if the technology is there, can we not use it? We have to accept it to be hybrid to allow those who do not attend.  CK said it is for professional reasons and travelling across Essex where it is a good use of headteacher time.  RL agreed we will continue to have the meeting face to face in January.  MS added maybe people would be more comfortable wearing a mask.  JB stated if had a long journey to get to the venue that will make people decide about meetings. Time out is a factor.  JH’s observation – JH was sitting in a corner. We need to make sure people are sitting further apart.  SR informed we have moved to a permanent hybrid system for the flexibility. It might be worth exploring.  RL confirmed the meeting in November will be via Teams.  YSW agreed to provide a hybrid meeting in January. However, there may be no physical attendance if the weather is bad. |
| **6.** | **Minutes of 13th July 2022**  **Attendance:**  With the addition of Sue Bardetti, Jinnie Nichols and Lyn Wright, members were happy to accept these minutes as a true and accurate record of the discussion.  **Action**: YSW to amend attendance. |
| **7.** | **Minutes Action Log – Yannick Stupples-Whyley**  18/5/22 – Agenda Item 9 – Early Years Update. Owner: Carolyn Terry.  **Action**: To bring proposals for allocating £1.5 million of the surplus balance to the July/September meeting.  28/9/22 – Agenda Item 2 – proposal to allocate £1million.  The proposal to allocate the remaining £500,000 which will be brought to the November meeting was agreed by all. |
| **8.** | **Schools Forum Response to Implementing the Direct NFF**  **Consultation** (Yannick Stupples-Whyley)  YSW updated the Forum on the agreed FRG response to the  consultation on behalf of the Forum.  The Local Authority had presented an overview of the consultation at the  July meeting, where the Forum approved that FRG compose and submit a  Response on behalf of Schools Forum.  FRG had met on 7th September 2022 where the Local Authority presented  their response. FRG agreed that the Local Authority’s response was  comprehensive and fair and agreed to submit the same response.  **Recommendation**  The Forum noted the report. |
| **9.** | **Schools Forum Response to the Early Years Funding Formulae** **Consultation** (Yannick Stupples-Whyley)  YSW updated the Forum on the agreed FRG/Early Years Sub-Group response to the consultation on behalf of the Forum.  The only questions where the Local Authority and Schools Forum did not agree were:  Question 10: Do you agree with our proposed approach to protections in the EYNFF for 2023-24?  Question 11: Do you agree with our proposed approach to protections in the 2-year old formula?  The funding floor given the cost-of-living crisis is not high enough. The response from the Local Authority and Schools Forum have challenged 1% funding for all.  **Recommendation**  The Forum noted the report. |
| **10.** | **Schools Budget and Education Functions Half-Year Forecast Outturn Report 2022/23** (Yannick Stupples-Whyley)  YSW updated the Forum on the forecast outturn position for 2022/23.  The forecast outturn for 2022/23 at Quarter 2 (August 2022) was set out in Annex A. The total forecast DSG grant allocation for 2022/23 after academy recoupment was **£558.6 million**. The Central Schools Block is under pressure due to the inability to reduce expenditure in line with academy conversions. There is a High Needs Block underspend of **£8.7 million**. Top-up funding for maintained schools and academies are forecasting an overspend of **(£988,000)** due to the continued increase in the number of Education, Health and Care Plans (EHCPs). Independent special schools are forecast to overspend **(£463,000)** due to an increase in numbers and an increase in the complexity of pupils. With regards to SEN Services in order to meet increasing costs of pressures and initial plans on how to spend is currently sitting at **£12 million** underspend. This is primarily offset by a  **£1.1 million** overspend on Individual Pupil Resourcing Agreements due to increased medical needs, volume of projects and specialist SEND equipment.  **Questions**  LB stated there is an £8 million underspend in this block.  YSW informed over the last two years our financial forecast of what we need to spend is not as much as funding coming in. There is still an increase in pressure. We are balancing the level of expenditure against pressure and additional cost pressures coming in, and trying to balance the budget so that we do not overspend. The forecast expenditure is less than income coming in.  CK stated getting the HNB into a balanced position, the budget has been increased significantly. The amount of increase in children in out of county placements, EHCPs and resourcing and more children in the system and Early Years. Pressures in the system are pupil and demand driven. Some investment is coming through the early intervention route. We will speak about this at EPHA tomorrow. With regards to independent school placements, costs have not gone down and then there is re-banding. Managing pressures in the system – Government has invested in the High Needs Block. Our tight management has created this position. We should have a very considered response where we can take considered decisions to the SEND needs that we have got.  JF highlighted in Table 2 the risk and opportunities. We are trying to make it in a sustainable way.  SM referred to the work Ralph Holloway has done. We are still getting large amounts of money spent on independent school placements. Can we use the situation we are in to accelerate that programme to reduce costs?  CK indicated the element funded is at completion stage. We are waiting on 4 step cycles. We are doing as much as we can. It was an ambitious programme 10 years ago. Our special schools are full. Mainstream schools are holding on to pupils with special needs. It was noted tribunals are going through the roof in the SEND system. At the moment because of the high volume of vacancies with EP’s, there are pressures in the system looking at investing in early intervention. Hopefully Hawthorns will open in January.  EW stated we need to find a solution that works. Looking at KS3 pressures in PRUs we are finding they are not able to go to school.  NH supported CK when he started on the Forum. There was **£100 million** overspend every year to now and CK could manage and put in place. NH supported CK with what she had achieved in 4 years.  CK confirmed we have had tighter controls in the SEND system in Essex. We are putting forward a plan and will hold some back for contingency. It is a one off investment and need to think about the best way, invest to save, invest in workforce in SEND, speech and language support, outreach work. We have to think slightly differently. If we build special schools, we will fill them. We need more SLD. We need the right levels of funding to ensure the right packages of support. It is about how we work through inclusion and combining workforce because children’s needs have changed. Here the SENCO and inclusion partner are experts about child’s needs, and we need to think more about the change in needs. It is a challenging position.  JF supported CK. RH is looking to minimise/maximise the system to get the best outcome of the best to several. Some of this is uncertainty about the way the Government allows funding.  Table 3 showed the forecast DSG position on 31st March 2023 with a total of **£16.5 million** surplus balance.  Education Functions showed a total of **£2.8 million**.  **Recommendation**  The Forum noted the forecast outturn position for 2022/23. |
| **11.** | **Forward Plan – Yannick Stupples-Whyley**  YSW read this out and confirmed the dates of future meetings.  **Recommendations:**  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**  SM stated as his term of office has been extended and he is happy to continue. All were in agreement that SM will continue to be a member of the Schools Forum.  NH also mentioned as his term of office has been extended, he is happy to continue. All were in agreement that NH will continue to be a member of the Schools Forum.  RL informed after 16 years of being Chair of the Schools Forum, he will not be putting himself forward for re-election in the role as Chair. RL had discussed the matter with CK and YSW and understands that at the next meeting they will bring forward suggested changes to the Standing Orders. RL agreed to continue until the end of the meeting in January 2023 but had decided to step down for the future.  PL said a thank you to RL  CK would like people to think of coming into the role of Chair. In the early days these meetings used to be half a day. We have spent a lot of work on them. We are appreciative of both Rod Lane and Jeff Fair in the role that Sub-Committees play. It was noted that the new Chair will also be required to attend meetings of the Sub-Groups. |
|  | **Chair’s Closing Comments** (Rod Lane)  RL thanked everyone for attending and for their contributions.  **Date of next meeting – Wednesday, 30th November 2022 at 8.30 a.m.**  **Via Teams.** |