

Minutes of Schools Forum Meeting 06th December 2023 at 2.30 pm

<i>Members</i>	<i>Position</i>	<i>Voting</i>	<i>Attendance</i>
Vacancy	Primary Maintained Headteacher	Voting	In process
Vacancy	Special Maintained Headteacher	Voting	n/a
Victoria Richmond	Primary Academy Headteacher	Voting	Absent
Paul Jackson (Vice Chair)	Secondary Academy Headteacher	Voting	Present
Vacancy – (Marie Woolston)	Special/PRU Academy Headteacher	Voting	n/a
Kyle Taylor	CFO Multi Academy Trust	Voting	Present
Richard Warnham	Governor Primary Maintained	Voting	Present
Barbara Fincham	Governor Primary Academy	Voting	Present
Vacancy	Governor Secondary Maintained	Voting	n/a
Peter Martin (Chair)	Governor Secondary Academy	Voting	Present
Justin Stuart	Governor Special and PRU	Voting	Present
Hannah Cartwright	Early Years Representative	Non-voting	Absent
Simon Cook	16-19 Provider Representative	Non-voting	Present
Hillary Sanders.	C of E Diocese Representative	Voting	Present
Vacancy	RC Diocese Representative	Voting	n/a
Vacancy	Teaching Unions Representative	Non-voting	n/a
Stuart Gardner	CEO Multi Academy Trust	Voting	Present
Vacancy – (Elizabeth Halton)	SPI over 19 Provisions	Non-voting	n/a
<i>In Attendance</i>			
Celia Buxton	Assistant Director of Education and SEND LA		Present
Maria Beaney	Finance Business Partner LA		Present
Sarah Phillipson	Governance Professional		In attendance
Tracey Coombs	Portfolio Holder for Education		Not in attendance
Paul Clarke	Strategic Head of Education; Planning and Access		Present
Leanne Farach	Director of Children Services		Present

1. Welcome, attendance and apologies:

As noted above.

Hannah Cartwright & Victoria Richmond were absent.

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2. Declaration of Interests:
No changes to the previously disclosed Declaration of Interests and any matters relevant to the agenda.
3. Minutes from the previous meeting 20th September 2023:
Accuracy:
The minutes were agreed as an accurate representation of the meeting.
Matters Arising:
Noted in item 5.
4. 2023-24 Round 1 & 2 monitoring centrally retained budgets – Maria Beaney:
MB referred to her previously shared report, noting several key areas of attention.

Schools Block:

The Schools Block is forecasting to break even with no significant variances reported for round two. However, as discussed last time, an overspend will be reported for round three to account for the 9 new growth-funded classes the Schools forum agreed would be opened in January 2024.

Central Services Schools Block:

The overall position on the Central Services Schools Block is a projected underspend of £67,000 due to several staff vacancies held vacant until the service-wide restructure was completed.

High Needs Block:

In March 2023, the Local Authority entered a safety valve programme with the Department of Education. Over the next 4 years, the ESFA is expected to provide £14.29m of additional funding to Medway, provided the Safety Valve plan is kept as submitted. The Local Authority has received £7.12m of funding under this program. £5.72m was received in March 2023, and £1.4m has been recovered in this financial year. The forecast assumes a further £0.717m will be received in this financial year.

The safety valve programme assumed a £2.1m underspend against its DSG budget in 2023/24. As of round two, the total underspend on the DSG is c£1.465million, proving the Council is on target to deliver its commitments.

Early Years:

The overall position on the Early Years Block is an underspend of £121,000 due to reduced nursery provider pupil hours/numbers. While this is an underspend, in the early years, DSG funding lagged, and Medway fully expects to recoup this underspend in the next quarter.

Q - You were looking at locality funding as a way to devolve to schools. I am assuming that is not being spent currently. Is that part of your underspend, or is that ring-fenced?

A – The locality funding was part of the consultation with the AP regarding the budget; it is ring-fenced and accounted for in the forecast a group of Primary Headteachers as a working party is working on how they want to spend it. The consultation results came back, and the Heads did not want funding to stay localities, and the primary heads did not want funding for their own nurture provisions. Actually, since then we had four schools approach the Local Authority to ask for funding to support nurture provisions, etc. So, the Local Authority have a working group working on that now. In terms of the budget, everything is incorporated in.

Q – Is there a timeframe for this? If the schools do receive this until the end of the year, it is money they could have used.

A – The Local Authority had two meetings; we hope to get that out this financial year. So, for the Local Authority to get things resolved and out, it will depend on what the working party decide

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because if it is about going to another procurement and commissioning process, we have to put the time in for doing that. We are hoping to get it out of the door before March 2024.

Q – I am interested in the appendix and the post-16 and post-18 placements. This does not need answering now, but could somebody let me know afterwards?

Q – I am interested in the High Needs and current student transport costs because that is part of the picture. I know, technically, it is not part of the DSG. I wonder whether transport costs will continue to go as out of control as they are in our neighbouring authority.

A - Yes, we are still experiencing transport cost pressures; we are working on that to look at how we manage transport. Again, another working group is on that, but it is with parents and wider stakeholders. We will be consulting on any changes we make, but you are right; it does not sit in the DSG. That is a cost to the general fund.

Q - Do you know roughly how much it is, and when and how much of an overspend are we looking at?

A - In terms of SEND transport alone this year, we are expecting to spend around £10.7 million, which is about £1.4 million overspending, which is expected to increase to about £3 million next year, taking the final figure to £12 million.

Q - Locality provision: is that the same for secondary?

A - The locality in the consultation was only the primary sector in terms of that nurture. It was part of the consultation and the suggestion around primaries because the Primary asked for it to set up nurture provisions in their schools.

Q - Was there some for secondary schools as well?

A – Yes, the inclusion fund is part of their High Needs Block, paying for things like Fortis, the outreach from ALT, etc. It has not all been spent, and we can update the School's forum on this area of the budget. What the Local Authority commissioned has come from consultation with Heads; the working party is looking at what else can come from it.

Decision - The School forum members voted to agree on the proposal, as noted above.

5. Update on September's Place Planning and Growth Funding – Maria Beaney:

CB explained that in the previous School's forum meeting, the forum members had agreed to £2 million from part of the growth funding, ring-fenced and out of the School Block. However, it has been suggested that due to the Growth Funding Policy, this is still not enough for some schools, particularly in the primary sector. Schools are stating that they are not able to set up both classes because the amount of £55,000 is not enough in terms of paying a member of staff and a TA.

MB and CB presented some options for consideration, and the Schools forum discussed the following steps to be taken. It was noted that the Growth Funding Policy would need to be changed if a new allocation is made, requiring a formal consultation process. It was agreed that a temporary agreement needs to be reached to ensure that the statutory duty to provide children with cases is not breached.

Q - What are they saying about the salaries, are they talking about TAs on the top band?

A – They are talking about a teacher and a TA and feel the £55,000 gross payments per class will not cover the cost of running it in a primary school.

PC added that schools are requesting more funding for teachers and TAs, but the available funds do not fit the Growth Funding Policy. While enough funds are left over, the policy only allows for a small distribution. The schools require more funding (more around £100k than the £55k) to employ the correct expertise of teachers and a TA, particularly with short notice now required with the sudden increase in needs due to the sudden surge of inward migration.

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A School's forum member added she agreed the £55k would not cover the cost of a teacher.

6. Provisional School/Academy Funding Formula 2024-25:

MB explained that The Education and Skills Finance Agency published operational guidance for the national funding formula (NFF) in July. The guidance assists Local Authorities (LA) and their Schools' forums in planning the implementation of the funding system for 2024-2025 and transitioning to 10% of a national NFF. The Local Authority must consult with all schools in the area regarding any proposed changes to the funding formula, and the Schools forum must approve expenditure from the Schools Block of the Dedicated Schools Grant. The September 2023 Schools forum meeting discussed the 2024-2025 funding formula process.

School and Academy Consultation:

MB report advised that schools and academies have historically received a low response rate to funding formula consultations. However, since the consultation increased to three weeks, the response rate has begun to increase but still needs to improve.

2024-25 Schools Block Dedicated Schools Grant (SB DSG):

The Funding Formula is used to distribute the Schools Block element of the DSG to all mainstream schools and academies fairly and transparently. Medway's estimated provisional 2024-25 Schools Block DSG allocation is £248,740,703.

The provisional allocation available for distribution through the formula after allowable deductions (subject to Schools Forum approval) is £243,740,703

2024- 25 De-delegated Services:

Funding for de-delegated services must be allocated via the funding formula for maintained mainstream schools with the Schools' forum approval. De-delegation is not applicable for special schools, academies and PRUs, but they can purchase the service via SLA online as a buy-back service.

The Local Authority must request/renew the de-delegated services each year, as they cannot be rolled forward. The Local Authority consulted with schools on two services:

- A) Central Services - £84.00 per pupil (no increase)
- B) Trade Union Support - £1.59 per pupil for maintained mainstream schools from April 2024.

It was noted that only maintained School forum members can vote on de-delegated services. Primary and Secondary members must decide separately if the service should be de-delegated and apply to all maintained mainstream schools. Funding for these services will be top-sliced from the formula before school budgets are issued.

Decision - The Schools' forum voted and agreed to support the Local Authority request to de-delegate the central services and traded services charges for 2024-25 as outlined above.

Pupil Variation Numbers – Growth Fund:

MB explained the funding formula for each school or academy is based on the characteristics from the October census. Local Authorities can request approval to vary the pupil numbers for a specific school(s) where:

- a) There has been/will be a reorganisation.
- b) A school has changed/will be changing its age range either by adding or losing year groups.
- c) A temporary shortage of pupils.
- d) New Schools/academies.

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These are known as PAN increases.

An estimated cost has been used to distribute the growth funding and falling rolls allocation, with a full detailed report to be presented to the School's forum in January 2024.

The proposed new 2024-25 Formula:

The ESFA published NFF operational guidance and initial funding allocations in July 2023. However, in October (after Medway had consulted with its Schools forum), the ESFA published revised initial allocations, which scored a reduction of £2 million to Medway's allocation.

Local Authorities propose moving all funding factor unit costs except the lump sum to the new 2024-25 national funding formula rates.

The government has built into the funding formula a Minimum Funding Floor Guarantee (MFG) on a per-pupil level. No school will receive a decrease of more than 0.0% per pupil compared to last year. If a school does lose funding or falls below this percentage, its budget will be protected up to the MFG level. It does not protect against a sudden fall or drop in numbers.

The Local Authority does not anticipate or propose reintroducing a cap on school gains in line with the NFF but continues to reserve the right to reintroduce it as part of the final formula to balance the formula within the overall funding envelope.

The maximum sparsity funding a primary school can be awarded is £ 57,100, and secondary schools can be awarded up to a maximum of £83,000. In September 2014, and every year since, the School's forum has approved the tapering lump method, which must be used yearly. The School's forum must decide again what approach and the value of the Sparsity funding in 2024-25 is best.

The Local Authority propose using the same lump method and sums outlined above for 2024-25.

Medway propose to use an initial lump sum allocation of £125,000, which is higher than last year but is subject to change; if the final funding formula is unaffordable after the October 2023 school census is published, Medway proposes to increase/reduce the lump sum so it is affordable. This is the same process agreed on in previous years.

Other Key information the formula must provide/allow for:

- Primary minimum funding of £4,655 per pupil.
- Secondary minimum funding of £6,050 (with different rates for KS3 and KS4) per pupil.
- The all-through minimum funding per pupil will be the same percentage depending on the pupil number from the census.

It was noted that if all the above proposals are approved, the new funding formula will be as per the 2024-25 columns in Appendix 2. If the above proposals are not accepted, members will be asked to approve the units per the 2023-24 columns and increase the lump sum until it balances the available funding.

A School's forum member noted the Local Authority should be as close to the national funding fund as possible. This has been reviewed and discussed yearly to try and limit the losses of some primary and secondary schools. However, this is the formula given to us, which should be applied consistently and appropriately across all schools, using the lump sum to make everything work. He noted it was disappointing to hear the Local Authority are still not in a position where it is applying and following the national funding formula completely.

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MB explained that everything would be at National except the lump sum. It has been explained the Local Authority is giving out more funding in its growth fund allocation than received, which is why the lump sum is not at the national level.

Q - Paragraph 6.5 is about the Local Authority; they do not propose reintroducing a cap on school gains and continue to reserve the right to reintroduce this as part of the final funding formula. I am sure I have had to agree to any gains caps in the past.

Would we then vote on that again, or is that something we agree to now?

A - In January, the Local Authority will bring to this forum the final formula, which is based on this national, and this is where I will run through that formula again. It is based on October 2023 census data, and I will find out if it is affordable within the funding allocation. If it is not affordable, I will reduce that lump sum until it is affordable. However, a central government caveat says I must increase the lump sum by 10% over what it was last year. If I cannot do that and still balance, I will have no option other than to introduce a cap on school gains. It will come back to this forum for approval.

A School's forum member noted regarding minimum funding, which is £4655 for Primary, and £6050 for secondary and grammar schools, because the way funding has been allocated by deprivation, pupil premium, and a whole host of other factors, balancing budgets is getting harder and harder for non-selective schools. There is a risk that grammar schools cannot balance their budgets over time.

Decision – The eligible School forum members (maintained schools representatives) voted to APPROVE the de-delegation service for 2024-25, as noted above.

It was noted that the secondary's maintained position is vacant. The Local Authority requested the School's forum members agree to assume the secondary school would agree and add this as part of the final formula.

Decision – The eligible School forum members voted to APPROVE the de-delegation service for 2024-25, as noted above for secondary schools.

Decision – The eligible School forum members voted to APPROVE the sparsity method and sum as noted above.

Decision – As noted in the detailed report, the eligible School's forum members voted to APPROVE the Minimum Funding Floor Guarantee (MFFG) at 0.0%.

Decision – The eligible Schools's forum members voted to APPROVE the Minimum Per pupil level (MPPL).

Decision – The eligible School's forum members voted to APPROVE and recommend the Cabinet approve the provisional schools and academies funding formula changes, 2024/25, as outlined in the report shared.

7. Funding Support Business Cases – Standard Item:
None.

8. Membership Update – Sarah Phillipson:

SP updated the Schools forum on the membership nominations, requesting that they approve the nomination of:

Marie Woolstone - Special Maintained Headteacher
Elizabeth Halton - SPI over 19 Provisions

Decision – The eligible School's forum members voted to APPROVE the above membership.

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No nominations from Primary Maintained HT or Secondary Governor.
SP is working to address this urgently.

9. **AOB:**

Q – Regarding funding, you updated us on the current backlog of ECHPs in the last meeting, and we agreed to change the notional SEND fund into the January census, which was fairer for schools. The backlog is still going to be there until April 2024. So, in theory, lots of schools will not have children with actual ECHPs, but they would have if Medway did not have a backlog. Therefore, schools are losing that notional funding, and I know some schools are probably losing multiple £6000 because of the Medway backlog.

A - We are working significantly to reduce the backlog and are progressing well. All applications are in the system. We cannot assess whether the child will get an EHCP until that assessment has been done. We cannot backdate it, so we moved it from September to January to consider that and pick it up. Next year, we can decide whether it is taken from September or January; we should be caught up with our backlog by Easter.

Q - Could the Local Authority look at whether there is another mechanism? I accept just because they put in an application does not mean they will get it approved. However, £6000 for a primary, even for one child, is quite significant.

A – Moving to January was to help compensate for that issue and give more time because we would take it on the earlier census to give those in the backlog more time to get caught up. This is over and above the SEND national budget and is additional funding coming in. Realistically, I do not think there is anything else the Local Authority can do other than work as hard to clear that backlog so things are caught up.