

Minutes of the meeting of Herefordshire schools forum held at online meeting on Friday 23 October 2020 at 9.30 am

Present:	Mrs J Cohn (Academy Special School Representative) (Chairperson)	
	Ms C Bryan	Academies
	Mr P Burbidge	Archdiocese of Cardiff
	Mr T E Edwards	Local Authority Maintained Secondary School Governor
	Ms N Gilbert	LA Special Schools
	Mr J Hedges	Primary Governors
	Mrs S Jenkins	Local Authority Maintained Primary School
	Mr P Jennings	Academies
	Ms T Kneale	Local Authority Maintained Primary School
	Mr C Lewandowski	Trade Unions
	Mr P Deneen	Trade Unions

In attendance: Cllr Carole Gandy, chairperson children and families scrutiny committee

Officers: Director for children and families, Strategic Finance Manager and Head of Additional Needs, Childrens Wellbeing

1. ELECTION OF CHAIRPERSON

Mrs Julie Cohn was proposed and unanimously supported by members of the forum.

Resolved: that Mrs Julie Cohn be elected chairperson of the Forum for the ensuing year.

2. ELECTION OF VICE-CHAIRPERSON

Mrs Kathy Weston was proposed and unanimously supported by members of the forum.

Resolved: that Mrs Kathy Weston be elected Vice-Chairperson of the Forum for the ensuing year.

3. APOLOGIES FOR ABSENCE

Apologies were noted from the following forum members: Alex Davies, Nicki Emmett, Ed Gwillim, Kimberly Harley, Martin Henton, Steve Kendrick, Sian Lines, Rose Lloyd, Norman Moon, Rachel Rice and Kathy Weston.

Apologies were also received from the assistant director education development and skills.

4. NAMED SUBSTITUTES (IF ANY)

The following substitutes were noted:

Mr Trefor Edwards for Mrs Rachel Rice

5. DECLARATIONS OF INTEREST

Mr Lewandowski and Mr Deneen declared an interest in item 7 on the agenda as representatives of trades unions.

6. MINUTES

Resolved: that the minutes of the meeting held on 10 July 2020 be approved as a correct record.

7. LOCAL AND NATIONAL SCHOOL FUNDING UPDATE

The strategic finance manager gave a presentation on the key points to be covered in the annual consultation with schools. A copy of the presentation is attached to the minutes of the meeting. He explained that as in previous years the local authority would be in a position to fully fund the national funding formula rates for schools and choices would need to be made on how best to use the modest amount of remaining funding.

The chair of the budget working group provided feedback on discussions at the most recent meeting, the key points being that:

- An overspend in the high needs budget in 2019/20 had reduced Dedicated Schools Grant (DSG) balances;
- The group had discussed at some length the issues associated with families moving into the county needing specialist support and the pressure on high needs funding;
- The proposals in the consultation document were similar to previous years;
- Herefordshire Association of Secondary Heads (HASH) had long argued that the funding blocks within the DSG should be ring-fenced but the pressure on the high needs budget was understood;
- The working group was in agreement that the proposals in the consultation document were the right ones;
- The working group felt that the procedure for schools to submit requests for access to the growth fund needed to be clearer and would be discussing this at a future meeting, it was recognised that this was new and that the current applications to the fund had been dealt with on the back foot;
- The new requirement for local authority schools to maintain a list of related party transactions was similar to rules already in place for academies and the working group recommended that local authority schools seek to benefit from the experience of academies.

Forum members discussed the presentation and put questions to the strategic finance manager. It was noted that:

- There were around 30 primary schools in the county smaller than 100 pupils and the impact of the changes to incorporate the teachers pay and pension grants to the had been raised with the DfE;
- The additional costs of covid-19 had not been quantified but the f40 group of local authorities had lobbied the DfE regarding additional costs likely to be incurred and lost income, a response was awaited on whether the scheme which had been in place in the summer to meet additional premises factors would be extended;
- The council had no extra funds to put into schools and the regulations would not permit a transfer in any case;
- Current forecasts projected a £350k overspend in high needs for 20/21 which would move the reserves closer to zero;

- The growth fund was new to Herefordshire in 2019/20 and was intended to meet the revenue costs of long term expansion arising from factors such as increasing birth rates and housing growth;
- The education planning team would advise on areas where schools needed to increase published admission numbers, Kingstone Academy had moved to admit 120 and an offer had been made to Fairfield High School for a PAN of 100;
- Where growth funding was allocated this would be yearly until the new PAN applied to all year groups through the school;
- Section 106 contributions from housing developments was designed to address capital funding requirements for expanded accommodation;
- It was recognised that a clearer process was required and this would be developed through the schools capital programme and communicated to all schools;
- Increased demand for places in special schools was largely driven by an increase in pupils moving from mainstream into special schools but there were also some pupils moving in from out of the county;
- Further guidance was expected from the DfE on maintaining lists of related party transactions for local authority maintained schools and the strategic finance manager would write to effected schools after Christmas with more details.

It was unanimously agreed:

That the Schools Forum, having considered the initial budget proposals for 2021/22 for schools and high needs, supports the council's annual budget consultation with schools.

8. WORK PROGRAMME 2020/21

The draft work programme was noted as containing the standard items including approval of the schools budget at the January meeting and the high needs budget in March.

It was proposed that an update on the solid roots group of projects be added to the work programme and brought to the March 2021 meeting.

The dates of remaining meetings for 2020/21 academic year were noted as:
15 January 2021
19 March 2021
9 July 2021.

The amended work programme was noted.

9. CLOSING REMARKS

The director for children and families commented on the difficulties caused by the coronavirus epidemic and paid tribute to the work of schools and officers. He reminded school and academy representatives to ensure that emergency contact details were up to date, including details of bubbles.

Forum members also expressed their gratitude for the hard work of everyone in challenging circumstances and thanked officers for continuing to progress work on the schools budget.

The meeting ended at 10.41 am

Chairperson

School funding update
2021-22
Schools Forum
23rd October 2020

School funding 2021/22

- All fully set out in our consultation paper
- Fully fund the National Funding Formula
- 3% uplift in NFF factors
- TPG/TPECG rolled into NFF - **no 100 NOR min**
- Increase in Minimum Per Pupil Funding level for primary schools from £3,750 to £4,000 (£4,180 after TPG/TPECG added)
- Increase in primary sparsity from max £26,000 to max £45,000 as first step for improving funding for small rural schools (**12 primary schools and 1 secondary on max funding**)
- MFG set at 2% to provide min increase for all

Herefordshire approach 21/22

- We will fully fund NFF as in past years
- Growth funding reduced to £0.45m – and up to £0.24m will be allocated to growth in Golden Valley
- Estimate that £0.38m will be available after funding NFF & growth – option (a) is preferred :
 - ↳ a. Transfer £0.3m to HNB and £10/pupil extra to schools
 - b. Transfer £0.2m to HNB, allocate £20/pupil extra and reduce expenditure on SEN protection as cost of scheme is increasing.
 - c. Transfer £0.38m to High needs block in full to support SEN protection scheme and maybe increase balances
- Any comments re Budget consultation paper

Consultation in autumn 2020

- Consult on **removing the reception uplift factor** which forecasts delayed reception intake between Oct and January census (27 pupils across 20 schools) but is not funded by DfE as grant paid on Oct pupil numbers.
- Consult on **reducing the claw-back percentage for locally maintained schools balances** from 25% down to 20%. Currently very generous and schools with such high balances are not spending their budget on current pupils. New rules to apply to balances as at 31st March 2022.

Consultation in autumn 2020

- Consult on **de-delegation for Free School Meals entitlement** because the SLA hasn't worked as well as we expected.

6

High needs growth 2021/22

• complex needs places	£1.05m
• out-county/independent places	£0.5m
• special school and unit places	£0.175m
• tariffs A-C (+1%) D-F(+2.5%)	£0.125m
• Full year cost of nurture groups -tbc	£0.1m
¹⁰ • Additional PRU places (x15)	£0.15
• hospital service costs	£0.05m
• Post-16 places	£0.1m
• <u>SEN protection scheme</u>	<u>£0.05</u>
<u>Total additional expenditure</u>	<u>£2.3m</u>

HNB available funding 21/22

- Estimated grant increase is £2m
- Funding gap is £0.3m (minimum)
- For 20/21 Schools Forum agreed transfer of £0.2m to support extension of SEN protection scheme to high schools.
- ⇒
- SEN protection scheme cost rising
- Also concerned about increasing out-county placements and costs particularly re ASD
- High needs budgets needs further work with a further review at December's BWG

SEN Protection scheme

- Number of pupils with top-ups in mainstream increasing 381 in 18/19, 410 in 19/20 (+10%) and 427 pupils to date in 2020/21
- Scheme pays cost of £6,000 threshold to schools above a cap x NOR. Current cap agreed with Schools Forum is £150.
- ¹²• Budget is £385k and spend expected at budget
- Secondaries now in scheme, transferred £100k from growth fund but cost to date is £125k
- Need cap at £160 to keep spend within budget in 2021/22 or preferably apply a variable cap (within a range e.g. 160-170) to ensure spend = budget

High needs forecast 2020/21

- Overspend of £350k predicted for 20/21
- Includes complex needs forecast is a minimum £208k but may be greater and hence increase overspend forecast.
- 13 • DSG reserves are £0.63m and may reduce towards zero.
- We need to keep DSG reserves in surplus if at all possible

Golden Valley growth Sept 21

- Education planning have advised that admissions over PAN will be required for Golden Valley in September 2021 and for future years as follows:
 - 30 over PAN at Kingstone i.e. 120
 - 10 over PAN at Fairfield i.e. 100
- ¹⁴• This will require growth funding of 40 pupils at £4,404 per pupil = £176,160 (AY basis)
- FY impact will differ as 5/12 + 7/12th
- Plus any additional supplement paid to schools above NFF.
- A contingency may be required to cover uncertainty

Growth fund 20/21 - Update

- Growth agreed at Kingstone High at 45 over PAN
- Fairfield have asked for similar growth funding for 33 pupils over PAN for September 2020
- If we had known prior to the growth budget being allocated at Schools Forum in January, we would have done so. Now propose to act as follows;
- **Growth funding £55,522.50 (5/12th April 2021 – August 2021) to be paid as part of 2021/22 growth budget**
- **Growth funding of £77,731.50 (7/12th Sept 2020 – March 2021) & reduce DSG reserves by £66k.**

Summary re Financial transparency for LA schools

DfE is to implement nine new proposals for increasing the transparency of locally maintained schools on a similar basis to academies. The only significant change will be:

⁹¹ **Proposal 4a:** schools must append a list of Related Party Transactions (RPTs) to their response to the question in the Schools Financial Value Standard (SFVS) about their arrangements for managing RPTs. In addition, the CFO Assurance Statement, will disclose the number and value of RPTs.