

SCHOOLS' FORUM
MEETING HELD ON 5th FEBRUARY 2019

PRESENT

Primary Maintained School Headteachers: Mrs S Richardson Mr A Ruffell and Mrs C Taylor

Primary Academy Headteacher: Mrs J Armstrong

Primary Governors: Mrs M Dowson, Mr G Rickard and Mr C Wilson

Secondary Maintained School Headteacher: Mr R Henderson

Secondary Academy Headteachers: Mr A Ramsey and Mrs L Spellman

Secondary Governor: Mr J Thompson

Special School Representative: Mr M Little – substitute for Mrs C Thomas

LA Representative: Councillor Mrs C Clark

Trade Union Representative: Mr L Russell - Chair

OFFICIALS: Mr M Gray – Director of Children's Services
Mr D New – Senior Finance Manager
Mr G Waller – Accountant
Mrs N Fletcher – Secretary to the Forum

ALSO IN ATTENDANCE: Councillor Mrs A McCoy (SBC Member for Children and Young People) - Observer

OBSERVERS: Mr A Metcalfe – Evening Gazette
Mrs A Allen – Nicholas Postgate Catholic Multi Academy Trust

1. **EVACUATION PROCEDURES**

Members noted the evacuation procedures to be used to exit the building in an emergency.

2. **APOLOGIES FOR ABSENCE**

RESOLVED that the apologies for absence submitted on behalf of Mrs E Carr, Mr E Huntington, Mr P Cook and Mr S White be received and noted.

3. **DECLARATION OF INTERESTS**

Members were invited to declare any personal or business interests they may have in any item included on the agenda.

No interests were declared

4. **MINUTES FROM THE LAST MEETING – 27th November 2018**

RESOLVED that the minutes of the meeting held on 27th November 2018, be approved.

5. MATTERS ARISING FROM THE MINUTES5.1 Schools' Forum Good Practice Self-Assessment

M Dowson stated that as a new member to the Schools' Forum she would welcome training and an induction pack.

D New AGREED to contact M Dowson to arrange induction training.

D New

5.2 Pupil Attendance Issues

A McCoy informed members that SBC Cabinet would be considering a proposed policy at the February 2019 meeting, the policy would then be out to consultation.

6. BUDGET MONITORING - SCHOOLS BUDGET 2018/19

D New referred to the circulated report School Budget Monitoring 2018/19, which provided members with the current projected outturn position on the Schools Budget based on information to the end of December 2018. It was estimated that there would be a deficit of £2.405m by the end of the 2018/19 financial year, which included the overspend of £1.413m brought forward from the 2017/18 financial year and also took into account the additional £454k High Needs funding for 2018/19 announced by the Government in December 2018.

Appendix 1 of the report showed the revised budget against the projected outturn for 2018/19 on the Schools Budget as at 31st December 2018 and D New outlined the reasons for the movement of £77k since the last reported position (September 2018) were mainly due to;

- *Top Up Funding Maintained Providers* – the £104k increased overspend was due to additional top-ups to SBC maintained schools;
- *Top Up Funding Independent Providers* – the projected £455k additional costs related to unbudgeted costs of excluded pupils, home tuition and independent assessments and therapy sessions (£250k) together with Agency Placement costs (£205k).
- *Dedicated Schools Grant* – following the Government announcement in December 2018 regarding additional High Needs funding over two years, SBC had been allocated an additional £453,500 for 2018/19.

D New reminded colleagues that as the DSG deficit was expected to be more than 1% the LA would be required to submit a recovery plan to the DfE.

M Little questioned movement had there been within the High Needs Block, D New confirmed that £77k movement was all within the High needs Block.

RESOLVED to note the current financial position on the Schools Budget.

7. SCHOOLS BUDGET 2019/20

D New referred to the circulated report, he reminded members that following their approval at the last meeting the LA had submitted a request to the Secretary of State for Education to transfer £1.4m (1.1%) from the Schools Block to the High Needs Block in recognition of the significant pressures in the High Needs area. As yet no response had been received to the request, therefore three scenarios were being put forward for the Schools Budget and Stockton funding formula arrangements for 2019/20. He

highlighted that the final actual budget allocation to the Schools and High Needs blocks would depend on the Secretary of State's decision, should for any reason none of the three scenarios cover the eventual final position a further meeting of the Forum would be convened.

D New explained that the Education and Skills Funding Agency had confirmed that for 2019/20 and 2020/21 local authorities would continue to use their existing local schools formula to determine allocations to schools, therefore within the overall budget setting process there were a number of discussions and central spend decisions the Forum was required to make on:

- Dedicated Schools Grant Allocations
- Transfer between Blocks
- Schools Block spend including Growth Fund
- Early Years Block spend
- High Needs Block spend
- Central Services Block spend
- Schools Budget 2019/20 and projected brought forward School Budget Balance
- Pupil Premium and other grants

Members were informed that due to the significant pressures facing the Schools Budget in 2019/20 relating to High Needs all three scenarios set out in the report provided for the setting of a deficit budget, the cumulative level of which varied depending upon the Secretary of State's decision on the transfer of funds from the Schools Block to the High Needs Block

D New outlined:

Dedicated Schools Grant Allocations

The allocation of the DSG was outlined as

School Block	£127.524m
High Needs Block	£24.530m
Central Services Block	£0.876m
Early Years Block	£13.089m
TOTAL	£166.019m

Schools Block

- Stockton's allocation for 2019/20 was £127.524m, which would be reduced down due to the transfers to High Needs. The allocation was before academy recoupment.
- Pupil numbers had increased by 456 (1.7 %) to 28,036 pupils.

Early Years Block – the allocation was provisional and would be updated to reflect actual January 2019 and January 2020 pupil numbers.

3 & 4 Year Olds

- The 3 & 4 year old per hour per pupil unit of funding for Stockton remained unchanged at £4.45. Stockton's allocation was £10.628m.
- Stockton's allocation for the Disability Access Fund would be £63k for 2019/20.
- The Early Years Pupil Premium (EYPP) for 2019/20 was £110k

Disadvantaged 2 Year Olds

- The allocation for 2019/20 was £2.288m

High Needs Block

- Stockton's allocation for 2019/20 was £24.53m before recoupment, including an additional allocation of £0.453m for the High Needs block. The allocation was provisional as adjustments would be made in-year to reflect the export /import of places between LAs.

Central Schools Services Block

- The 2019/20 allocation was £876k for LA statutory responsibilities, admissions and historical commitments.

Transfer Between Blocks

- In the event that the disapplication request to the Secretary of State to transfer £1.4m (1.1%) from the Schools Block to High Needs Block was unsuccessful the Forum had agreed to transfer £0.637m (0.5%).
- An additional allocation of £0.453m had been received for 2019/20, no increases had been announced for future years.
- Given the position regarding the disapplication request the budget presented was based on the following three scenarios;
 - Scenario 1 – that the Secretary of State agreed the transfer of £1.4m (1.1%) from Schools Block to High Needs Block.
 - Scenario 2 – that the Secretary of State agreed a reduced transfer of £0.95m (0.75%) from Schools Block to High Needs Block. This sum was based on the £1.4m less £0.45m additional grant funding for 2019/20.
 - Scenario 3 – that the Secretary of State declined the requests and the Schools Forum decision to transfer £0.637m from School Block to High Needs Block applies.

D New informed members that following the allocation of the additional High Needs Funding the Government had asked the LA if it wished to vary the disapplication request. The decision had been taken for the application to remain as agreed by Schools Forum.

L Russell questioned whether pressure had been exerted on the LA to change the disapplication request.

M Gray explained that no pressure had been exerted the invitation was in light of the new additional funding.

A McCoy asked why the LA had not received a response to the disapplication request.

D New stated that he had no knowledge as to why a response had not been received to date.

PROPOSED DISTRIBUTION**Schools Block Spend**

Members were reminded that the amount of the Schools Budget available was dependent on the Secretary of State's decision regarding LA's disapplication request. It was highlighted that the APT return to the EFSA was based on the 1.1% request and would have to be resubmitted if the Secretary of State's decision impacted on this.

The final funding formula used the datasets provided by the ESFA, collected at the October 2018 census, each of the three scenarios facilitate:

- Ffunding of schools to at least the National Funding Formula (NFF) factor values.
- The Minimum funding guarantee could be afforded at the maximum level of +0.5% on each scenario.
- In scenarios 2 and 3, with more funding available rates would be excluded from the minimum per pupil funding calculation and the funding floor protection had been applied as per the NFF.
- With still further funding available under scenario 3, in addition to the above bullet point AWPU factor values could be paid slightly above NFF values, together with increasing the level of the cap on gainers.

Growth Fund

- It was estimated that the Growth Fund requirements for 2019/20 could be contained

within the same level as for 2018/19, therefore the Forum was being asked to approve the allocation of £550k for 2019/20.

Early Years Block Spend

3 and 4 Year Olds

- Government funding rates remained unchanged for 2018/19, therefore the LA was proposing to retain the funding rates as those of 2018/19. Also the deprivation and sparsity would be at the same as current levels.
- The LA would continue to pass on the EYPP funding on to all state-funded early years providers at 53p per hour for eligible pupils.
- The LA would be allocating £120k for the Inclusion Fund with SEN taking the free entitlement.
- The LA would be passing through the full 95% of funding to providers and the amount allocated to supplements would be just over 4%;
- The central allocation in 2019/20 would be £531k, a reduction of £20k compared to the previous year.

Disadvantaged 2 Year Olds

- There is no change in 2019/20 to the hourly rate of £5.11.

High Needs Block Spend

- The amount of High Needs funding available was dependent on the Secretary of State's decision on the LA's disapplication request.
- Budget pressures continue and are proving challenging within this area, work on High needs had been incorporated into the transformation programme of review across Children's Services and progress would be reported to the Forum.
- In 2019/20 special schools protection would continue as at 2018/19, with the maximum schools could lose under the arrangement was -1.5%.

Central Services Block Spend

- The recommendation was that for 2019/20 the central items remain unchanged and funds allocated as;
 - Combined budget
 - Psychology and Intervention £3,748
 - Virtual School Head £30,000
 - First Contact Team £25,000
 - Family Support £25,000
 - Local Safeguarding Board £25,000
 - Public Health Team £30,000
 - School Admissions £212,000
 - Servicing of Schools Forum £22,000
 - Termination of employment costs £11,000
- The remaining CSSB funding (£492,000) would be utilised to fund central services previously funded from the retained element of the old Education Services Grant.

Schools Budget 2019/20 and Projected Brought Forward School Budget Balances

- Any under / overspends in the Schools Budget would be carried forward into the next finance year. The current budgetary control was forecasting that there were increased pressures on high needs spending and the Schools Budget Position was anticipated to be a £2.405m cumulative overspend at 31st March 2019. The paper set out the forecast cumulative deficit at 31st March 2020 under each of the three scenarios.

Pupil Premium and Other Grants

- Pupil premium funding rates for 2019/20 would remain at the 2018/19 levels.

- Looked After Children rate was £2,300 (split £1,400 to schools and £900 retained for management by the Virtual Head.
- UIFSM would continue for the 2019/20 academic year at the rate of £2.30 per pupil per day.
- Year 7 catch up premium would continue in the 2019/20 financial year.
- School improvement monitoring and brokerage grant continued in the 2019/20 financial year.
- The grant for extended rights to home to school transport would continue in the 2019/20 financial year.
- The teachers' pay grant would continue into the 2019/20 financial year for the funding contribution for the 2018 pay award.

Reference was also made to the Governments current consultation on funding for the significant increases in employers' pension contributions.

RESOLVED

- To note the Dedicated School Grant settlement.
- To note the final actual budget allocation to the Schools and High Needs blocks was dependant on the Secretary of State's decision on Stockton's disapplication request.
- To support the funding formula set out for each of the scenarios and proposals for growth fund.
- To agree the proposed central spend block items and associated budget for 2019/20 as detailed in paragraphs 34 to 36.
- To note that the LA intends to maintain the early years rates set in 2019/20 and the pass through rate at 95%.
- To agree the Early Years central spend of £531k.
- To note that the LA intends to maintain the hourly rate for the extended two year old provision at £5.11.
- To note the position on High Needs spend.
- To note the deficit position on the DSG under each of the budget scenarios presented and that a recovery plan is prepared for the eventual scenario.
- To note the position re Pupil Premium and other grants.
- To note that if for any reason there was a need to convene a further School's Forum meeting, a date would be arranged.
- To agree that the meeting of the School's Forum scheduled for 2nd July 2019 be brought forward to 25th June 2019 to enable consideration of a recovery plan.

S Richardson questioned whether the Recovery Plan discussed at a previous meeting was to be reviewed at the June meeting.

D New explained that the Recovery Plan previously discussed was being progressed as part of a wider transformation review, which would be discussed in June.

L Spellman questioned whether the timetable recovery had been set by the DfE.

D New reported that consultation undertaken by the DfE (results of which were still awaited) had been based on a three year period, therefore that was what the LA was currently working to.

8. ANY OTHER URGENT BUSINESS

There were no matters raised.

9. DATE AND TIME OF NEXT MEETING

RESOLVED that the next meeting be held at 1:30 pm on 7th May 2019.