

**SCHOOLS FORUM**  
**MEETING HELD ON 21 JANUARY 2020**

**PRESENT**

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

Primary Governors: Mrs M Dowson and Mr G Rickard

Secondary Maintained School Headteacher: Mr R Henderson

Special School Representative: Mrs C Thomas

PVI Representative: Mrs M Tudor

Local Authority Representative: Councillor C Clarke

Trade Union Representative: Mr L Russell (Chair)

Observer: Councillor L Evans

ALSO IN ATTENDANCE: Mrs A Allen, Senior Finance Partner Nicholas Postgate Trust

OFFICIALS: Mr D New – Senior Finance Manager  
Mr M Gray – Director of Children Services  
Mr G Waller – Senior Accountant  
Mrs V Housley – Chief Advisor  
Mrs S Hewitson – Secretary to the Forum

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 Ms S Richardson, Mrs J Armstrong, Ms E Carr, Mr A Ramsey, Mrs L Spellman, Mr S White and Mr C Wilson be received with consent.

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 – 26<sup>th</sup> November 2019**

RESOLVED that the minutes of the meeting held on 26<sup>th</sup> November 2019 be approved.

5. MATTERS ARISING FROM THE MINUTES

There were no matters arising.

6. DELEGATION / DE-DELEGATION 2020/21 – FREE SCHOOL MEALS (FSM) ELIGIBILITY FOR THE PRIMARY SECTOR

This item was deferred from the previous Schools' Forum meeting. A Ruffell, on behalf of the Primary Maintained Schools set out the position and explained that dialogue had been taking place with the Local Authority. A Ruffell explained that some schools had bought an online FSM system to identify pupils eligibility for FSM and to also have a service provided via Customer Services was not needed for those schools. However, there were schools that didn't have the system and in the case of smaller schools it would be uneconomic for them to purchase it due to the provider companies pricing structure. The Authority's Customer Services had confirmed that they were prepared to continue provision of the service under an SLA arrangement with individual schools if the funding were to be delegated.

Heads had discussed how smaller schools may not have the available funds in their school budgets to buy into the online system therefore it was;

RESOLVED that maintained Primary School members unanimously agreed not to de-delegate the free school meals eligibility checking monies and instead agreed to have them delegated to maintained primary schools.

7. BUDGET MONITORING – SCHOOLS BUDGET 2019/20

The Budget Monitoring document and Appendix 1 was distributed to members in advance of the meeting. It was estimated that there would be a deficit of £4.49 million by the end of this financial year. However, this included the overspend brought forward from 2018/19 of £2.58 million.

Appendix 1 showed the revised budget against the projected outturn for 2019/20 on the Schools Budget as at 31<sup>st</sup> December, in the prescribed DfE Section 251 reporting format. The reasons for the movement of £774k since the last reported position at the end of September were mainly:

- *Top-up funding maintained providers* – Estimated increased overspend of £120k was mainly due to additional top-ups to other LA maintained schools.
- *Top-up Funding-Academies and Free Schools* – £433k additional top-ups to SBC and OOA mainstream academies and special academies.
- *Top-up funding Independent Providers* – £182k additional agency placement costs plus £37k additional Early Years top-ups to the PVI sector.

RESOLVED that members note the current financial position of the schools budget.

8. SCHOOLS BUDGET 2020/2021

The School Budget for 2020/21, appendix 1 and appendix 2 documents were distributed to members in advance of the meeting.

While it remained the government's intention that a school's budget should be set on the basis of a single national formula, in 2020/21, local authorities would continue to determine final funding allocations for schools through a local formula.

To agree the local formula the authority consulted with all schools. This exercise was undertaken during November and the results were reported to the Schools Forum on the 26<sup>th</sup> November 2019. The Forum subsequently agreed the proposals for the schools funding formula and a 0.5% transfer from the Schools to High Needs block for 2020/21. The budget presented in this report for 2020/21 was based on the agreed decisions

Within the overall budget setting process, there were a few central spend decisions that the Forum has responsibility for, and these were presented for approval.

### **Dedicated Schools Grant (DSG) Allocations**

The 2020/21 Dedicated Schools Grant (DSG) allocation for Stockton was £175.573 million compared to the revised funding of £166.239 million in 2019/20. These amounts included funding for both maintained schools and Academies.

#### *Schools Block*

The 2020/21 primary unit of funding for Stockton was £4,192.69 and the secondary unit of funding is £5,329.71 (compared to £3,991.42 and £5,161.37 respectively in 2019/20). Stockton's allocation for 2020/21 was £133.737 million but this would be reduced down for the £0.66 million (£1.4 million in 2019/20) transfer to High Needs. This would be the allocation before academy recoupment which would be taken and given to the EFA (Education Funding Agency) for all Stockton's Academies and Free Schools from the DSG allocation.

There was a total increase of 228 pupils from 2019/20 up to 28,264 pupils (including those in the Free Schools) and this represented an overall increase of 0.8%. Growth funding was within local authorities schools block national funding formula allocations and it was requested that the Schools Forum approve a £0.55 million to cover growth fund items in 2020/21 (2019/20 £0.55 million).

#### *Early Years Block*

The 2020/21 three and four year old per hour per pupil unit of funding for Stockton has increased to £4.53 (up £0.08). Stockton's allocation for 2019/20 is £11.048 million. The Early Years block would continue to pay for free nursery places up to 15 hours in Primary schools, including academies and Private, Voluntary and Independent providers together with the additional 15 hours for three and four year old children of eligible working parents.

For disadvantaged 2 year old's Stockton's allocation is £2.155m. This was based on the weighted national average which for Stockton is £5.28ph (£5.20 in 2019/20).

#### *High Needs Block*

Members will recall that the DfE announced an additional £700 million of additional funding nationally for High Needs. For Stockton this means an additional £3.029 million over 2019/20, making the total £27.559 million before recoupment. The allocation received was provisional as adjustments will be made in year for export/import places between authorities.

The Governments High Needs funding allocation announcement only referred to one year's funding for 2020/21 and looks no further ahead. Stockton's allocation for 2020/21 was £27.559 million but this would be increased for the £0.66 million transfer from Schools Block.

*Cllr. Lisa Evans joined meeting.*

### *Central Schools Services Block (CSSB)*

The CSSB brings together funding previously allocated through the retained duties element of the ESG, funding for ongoing central functions such as admissions and residual funding for historic commitments. The 2020/21 allocation was £0.866 million and included a 20% (£0.03 million) reduction for historic commitments.

### **Transfer Between Blocks**

The level of funding under each block was represented in the table presented in the document which outlined changes from 2019/20 against 2020/21. D New highlighted the reduced transfer from schools block to high needs block from 2019/20 at £1.40m to £0.66m in 2020/21 thus freeing £0.74m up for distribution to schools.

### **Schools Block Spend**

In 2020/21 local authorities continued to have discretion over their schools funding formulae. The Authority consulted to increase the formula factors in line with the National Funding Formula i.e. an increase of 4% to the formula's core pupil led factors (plus lump sum), except for the Free School Meals and PFI factors which would be increased by inflation. To align the local formula in line with the NFF the mobility factor had been added at a cost of £0.091 million. In line with the proposals supported in the consultation, the remaining unallocated funding had enabled AWPU factor values to be set above those in the NFF as shown in the table shown within the document.

The 2020/21 factors and associated values were shown in Appendix 1 with 2019/20 figures included for comparison.

As reported to the Forum in October, the Department for Education launched a consultation on how to implement the Minimum Per Pupil Funding (MPPF) levels in the National Funding Formula on a mandatory basis in 5 to 16 mainstream school funding. They announced the outcome just before Christmas that primary schools and secondary schools will receive MPPF of £3,750 per pupil and £5,000 per pupil respectively. For the purpose of calculating whether and how much a school should be 'topped up' to the minimum level, its per pupil funding includes all funding it received through the local schools formula, excluding premises and growth funding.

The minimum funding guarantee (MFG) would be set at positive 1.84% per pupil in 2020/21 as agreed following the consultation for all mainstream schools and academies. This replaced the current MFG which limited increases to 0.5% per pupil.

### *Growth Fund*

Based on current analysis, it was estimated that the Growth Fund requirements for 2020/21 could be contained within the same level of funding approved in 2019/20. Therefore it was recommended that School Forum approve an allocation of £0.55 million for 2020/21.

***A member questioned if the increasing numbers in Stockton were in one or multiple geographical areas or across Stockton and how these numbers were forecasted.*** M Gray explained that an analysis and projections of pupil numbers was conducted 3 - 4 years in advance which was usually a 5 - 10% surplus which fluctuated.

### **Early Years Block Spend - 3 & 4 Year Olds**

Stockton was proposing to pass on the funding rate increase from central Government. Overall funding allocated per hour to each child would be £4.08 per hour for 2020/21 (£4 in 2019/20) and the deprivation and sparsity will be at the same as current levels.

**Disadvantaged 2 Year Olds**

It was proposed that the disadvantaged 2 year old's hourly rate for 2020/21 would be set at £5.19 (2019/20 £5.11).

**High Needs Block Spend**

The budgets included within Appendix 2 were based on trends and spend in the current financial year. As Forum members were aware from regular updates that there were continuing significant pressures against the high needs areas which was also evident from the current year's Budget Monitoring report on today's agenda.

The level of savings identified was not as high as those originally projected for 2020/21 at £1.183 million in the deficit recovery plan presented last June to DfE due to the further increase in demand led pressures. The position in Appendix 2 was after projecting savings of £0.728 million from the following:-

- a. Reduction in growth on independent special school provision by creating ASD capacity in the Borough £0.498 million
- b. Planned partnership working between special and mainstream schools for children with complex needs / Physical disability £0.130
- c. Improved joint commissioning / continuing care arrangements £0.1 million

Representation was made as part of November's schools consultation and subsequent discussions at the last Schools Forum regarding the 1.84% MFG increase for mainstream schools and its non-applicability to special schools despite them facing similar inflationary pressures. The Council has considered and reviewed benchmarking information which evidences that a differential top up rate of +1.84% be paid to special sector schools. The cost of this was estimated to be £0.065 million pa and had been built into next year's budget.

C Thomas, on behalf of Trust thanked members of Schools Forum and officers at Stockton Borough Council for taking on her comments from previous meetings regarding the funding received to special schools against maintained primary and secondary schools. She was pleased that this had been recognised and additional funding allocated to special schools.

It was recommended that for 2020/21 the central items remain unchanged and funds allocated across the following services;

- a. Combined Budgets
  - i. Psychology and Intervention £3,748
  - ii. Virtual School Head £30,000
  - iii. First Contact Team £25,000
  - iv. Family Support £25,000
  - v. Local Safeguarding Board £25,000
  - vi. Public Health Team £30,000
- b. School Admissions £212,000
- c. Servicing of Schools Forum £22,000
- d. Termination of employment costs £11,000

D New highlighted that termination of employment costs was a historical cost which had continued to be funded by the Local Authority at £11k.

The remaining CSSB funding totaling £482,000 would be utilised to fund statutory central services previously funded from the retained element of the old Education

Services Grant.

### **Schools Budget 2020/21 and Projected Brought Forward School Budget Balance**

Based on the information earlier in this paper, the proposed 2020/21 Schools Budget for each funding block was set out in Appendix 2. It showed the DfE block funding allocation against the spending plans for that area. The additional money received in the high needs block and the movement of funds from the schools block still leaves an in year deficit of £0.129 million and cumulative deficit on DSG of £4.618 million. There remained significant work to do to bring high needs spend back into a balanced position. Updates would be provided throughout the year to the Forum on projected spend against budget.

At the time of writing Government announcements on the level of Pupil Premium for 2020/21 were still awaited. The Teachers Pay Grant is to continue into 2020/21 financial year for the funding contribution for the 2018 and 2019 pay awards. The teachers' pension employer contribution grant will continue in the 2020/21 financial year.

RESOLVED that members:

- a. Note the Dedicated School Grant settlement;
- b. Support the funding formula and proposals for growth fund;
- c. Agree the proposed central spend block items and associated budget for 2020/21 as detailed in paragraphs 31 to 33;
- d. Note that the authority intends to increase the 3 and 4 year old early years rates and set the pass through rate at 95%;
- e. Agree the Early Years central spend of £0.531m;
- f. Note that the authority intends to increase the hourly rate for the extended two year old provision to £5.19;
- g. Note the position on high needs spend;
- h. Note the deficit position on the DSG;
- i. Note the position re Pupil Premium and other grants.

### 9 ANY OTHER URGENT BUSINESS

There were no matters raised.

### 10. DATE AND TIME OF THE NEXT MEETING

RESOLVED that:

- a) the next Schools' Forum meeting scheduled to take place on 4<sup>th</sup> February 2020 at 1:30pm be cancelled;
- b) the date and time of the next Schools' Forum meeting be held on Tuesday 5<sup>th</sup> May 2020 at 1:30pm at the Education Centre Stockton Sixth Form College.