

**Date:** Tuesday 12 November 2024 at 1.00 pm

**Venue:**

**Susan Richardson (Chair)**

Cllr Carol Clark

## **AGENDA**

- 1 Apologies for Absence**
- 2 Declarations of Interest**
- 3 Minutes of The Last Meeting - 08/10/2024** (Pages 7 - 10)
- 4 Matters Arising**
- 5 Consultation Feedback re Delegation/De-Delegation 2025/26** (Pages 11 - 20)
- 6 Schools Funding Consultation**
- 7 Schools Funding Arrangements 2025/26** (Pages 21 - 28)
- 8 Budget Monitoring** (Pages 29 - 32)
- 9 Any Other Business**
- 10 Date & Time of Next Meeting - Tuesday 21st January 2025 at 1:00pm**

**Members of the Public - Rights to Attend Meeting**

With the exception of any item identified above as containing exempt or confidential information under the Local Government Act 1972 Section 100A(4), members of the public are entitled to attend this meeting and/or have access to the agenda papers.

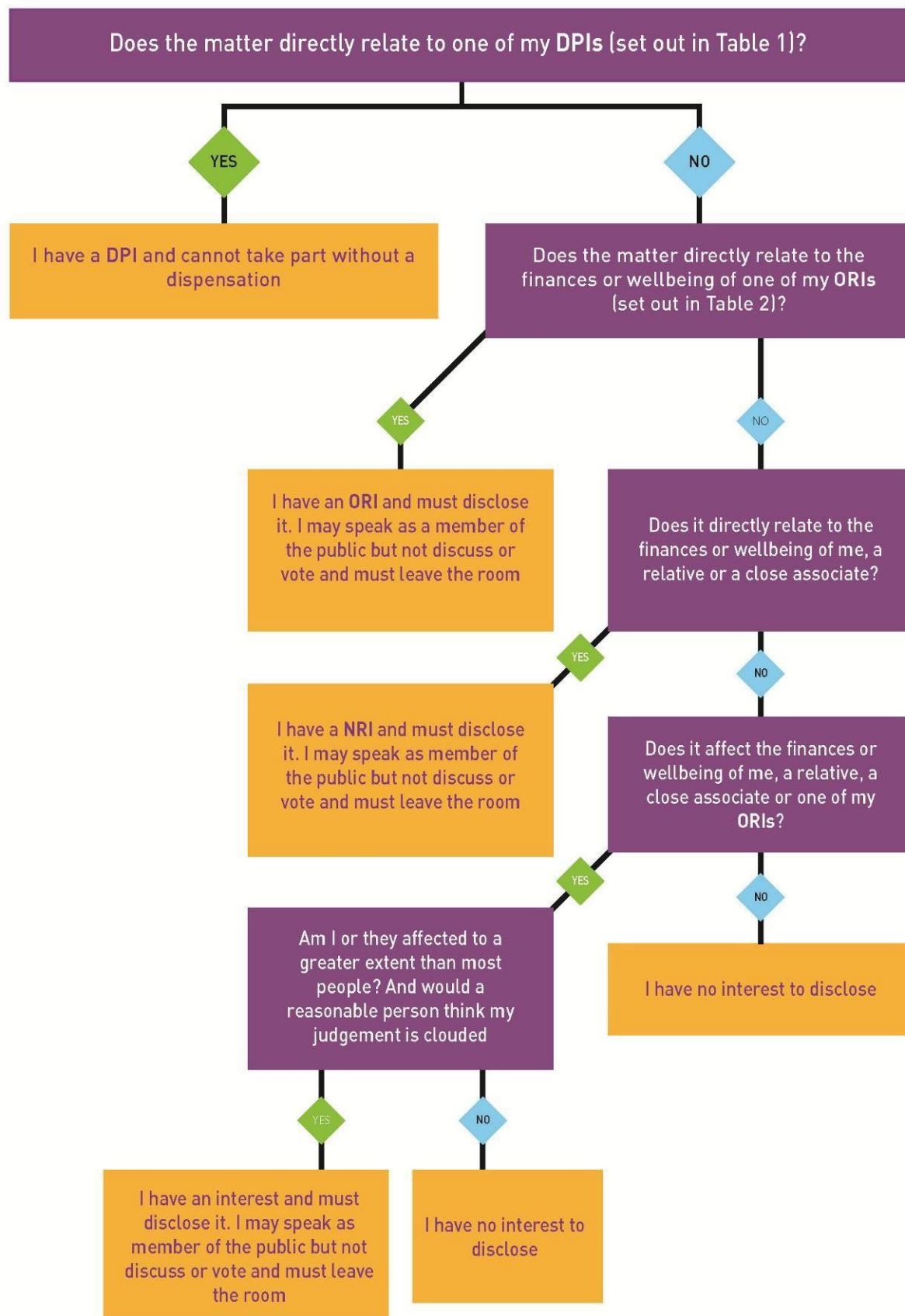
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Contact: Elaine Barrett on email [Elaine.Barrett@stockton.gov.uk](mailto:Elaine.Barrett@stockton.gov.uk)

**KEY - Declarable interests are:-**

- Disclosable Pecuniary Interests (DPI's)
- Other Registerable Interests (ORI's)
- Non Registerable Interests (NRI's)

**Members – Declaration of Interest Guidance**



**Table 1 - Disclosable Pecuniary Interests**

<b>Subject</b>	<b>Description</b>
<b>Employment, office, trade, profession or vocation</b>	Any employment, office, trade, profession or vocation carried on for profit or gain
<b>Sponsorship</b>	Any payment or provision of any other financial benefit (other than from the council) made to the councillor during the previous 12-month period for expenses incurred by him/her in carrying out his/her duties as a councillor, or towards his/her election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.
<b>Contracts</b>	Any contract made between the councillor or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/civil partners (or a firm in which such person is a partner, or an incorporated body of which such person is a director* or a body that such person has a beneficial interest in the securities of*) and the council — (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged.
<b>Land and property</b>	Any beneficial interest in land which is within the area of the council. 'Land' excludes an easement, servitude, interest or right in or over land which does not give the councillor or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/ civil partners (alone or jointly with another) a right to occupy or to receive income.
<b>Licences</b>	Any licence (alone or jointly with others) to occupy land in the area of the council for a month or longer.
<b>Corporate tenancies</b>	Any tenancy where (to the councillor's knowledge)— (a) the landlord is the council; and (b) the tenant is a body that the councillor, or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/ civil partners is a partner of or a director* of or has a beneficial interest in the securities* of.
<b>Securities</b>	Any beneficial interest in securities* of a body where— (a) that body (to the councillor's knowledge) has a place of business or land in the area of the council; and (b) either— (i) the total nominal value of the securities* exceeds £25,000 or one hundredth of the total issued share capital of that body; or (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the councillor, or his/ her spouse or civil partner or the person with whom the councillor is living as if they were spouses/civil partners have a beneficial interest exceeds one hundredth of the total issued share capital of that class.

\* 'director' includes a member of the committee of management of an industrial and provident society.

\* 'securities' means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

## **Table 2 – Other Registrable Interest**

You must register as an Other Registrable Interest:

a) any unpaid directorships

b) any body of which you are a member or are in a position of general control or management and to which you are nominated or appointed by your authority

c) any body

(i) exercising functions of a public nature

(ii) directed to charitable purposes or

(iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union) of which you are a member or in a position of general control or management

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**SCHOOLS FORUM**  
**VIRTUAL MEETING VIA MICROSOFT TEAMS**  
**HELD ON 8 OCTOBER 2024**

**PRESENT:**

Primary Maintained School Headteacher: Mrs J Stanyard and Mr E Squire

Primary Academy Headteacher Representative: Ms S Richardson (Chair)

Primary School Governor Representatives: Mr R Powner and Mr A McClurg

Secondary School Headteacher Representative: Mr R Henderson

Special School Representative: Mr M Little

14-19 Representative: Mr J Faulkner

Trade Union Representative: Mr L Russell

LA Representative: Councillor C Clark

Observer: Mrs G Bracchi

**OFFICIALS:** Mr A Bryson – Chief Accountant

Mr G Waller – Senior Accountant

Mrs S Hewitson - Secretary to the Forum

Mr E Huntington – Head of Education

Mrs V Housley – Service Lead Education and Wellbeing

Mrs M McCarthy – Director of Children Services

Mr D Leane - BHCET

**1. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Mrs A Swift, Mrs H Gregory, Mrs J Armstrong, Miss H Dalby and Mr C Wilkinson.

**2. 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.

**3. MINUTES OF THE LAST MEETING – 2 JULY 2024**

RESOLVED that the minutes of the meeting held on 2 July 2024 be approved.

**4. MATTERS ARISING**

There were no matters arising from the minutes.

## **5. STOCKTON SCHOOLS' FORUM CONSTITUTION AND RULES OF CONDUCT**

A copy of the Constitution Covering Report, Stockton Schools Forum Constitution and Membership and Vacancies for information. The purpose of the covering report circulated was to present to the Schools Forum the Constitution and Procedural Rules. The document notes how Stockton Councils Schools Forum will operate from September 2024. The document would be reviewed annually or as and when guidance/updates necessitate.

The recommendation was made to approve the Stockton Schools Forum Constitution and Rules of Conduct for the 2024/25 Academic year with specific reference to the proposal that the Membership Terms of Office being two years for both School and Non School Members. It was highlighted that there was one PVI vacancy which had been passed onto Mrs N Coverdale, Early Years Training and Development Coordinator who would feedback to the Clerk in November 2024.

RESOLVED that:

- a) The Schools Forum approve the Schools Forum Constitution and rules of conduct for 2024/25 including agreeing members terms of office of 2 years.

### **APPOINTMENT OF CHAIR**

RESOLVED that this item be reviewed in the Spring Term.

## **7. APPOINTMENT OF VICE CHAIR**

One nomination had been received for the position of Vice Chair, Mrs H Gregory.

RESOLVED that Mrs H Gregory be appointed as Vice Chair to Schools Forum.

### **SCHOOLS FUNDING ARRANGEMENTS 2025/26**

A copy of the Schools Forum National Funding Formula (NFF) update and the summary policy document for NFF for 2025/26. The purpose of this paper was to provide the Schools Forum with an update on the Schools Funding Arrangements for 2025/26. Due to the timing of the general election, the publication of the notional schools and high needs NFF allocations for 2025 to 2026 had been delayed. This information was usually received in July each year.

The recommendation was to note the current information provided on the schools national funding formula and the requirement to commence the consultation on the schools block transfer.

Mr Bryson explained that he had not received funding allocations therefore an estimate of the 0.5% cannot yet be calculated. The agreed 2024/25 0.5% block transfer figure was £837k. It was therefore proposed to limit any transfer to the lower of £900k or 0.5%.

A member questioned if Schools Forum had ever agreed to transfer more than £900k. Mr Bryson confirmed that £1.4 million had been transferred in previous years however, they still had to go through the disapplication process.



It was suggested by a member of Schools Forum to propose to limit any transfer to whichever higher (£900k or 0.5%) instead of whichever figure was lower. A member questioned what the deficit was last year. Mr Bryson confirmed it was £3.8 million.

In response to a members question, Mr Bryson explained he would have to submit the disapplication process if the 0.5% was higher than £900k. A member questioned if there was an option not to move any money at all. This was an option.

A vote ensued on three separate options:

- a) To limit any transfer to the lower of £900k or 0.5%.
- b) To limit any transfer to the higher of £900k or 0.5%.
- c) To not transfer any funds from Schools Block funding to Special Educational Needs Funds.

RESOLVED that the Schools Forum agreed to limit any transfer to the higher of £900k or 0.5%.

In response to a members question, Mr Bryson confirmed there was one return per school from the consultation including all mainstream schools ( which included special schools). Schools Forum members were informed that it was still their overall decision regardless of the feedback from the consultation. A vote would be undertaken at the next meeting Schools Forum meeting scheduled on 12th November.

## **9. DELEGATION / DE-DELEGATION 2025/26**

A copy of the Delegation / De-Delegation 2025/26, Facility Time Paper NASUWT and Unions single letter to LA. Funding for de-delegated services must be allocated through the formula but can be passed back, or de-delegated for maintained primary and secondary schools with school forum approval.

The authority was proposing the option of de-delegation for all of the areas covered in the report circulated for 2025/26. As per previous years it was agreed that this paper would again be scheduled earlier in the year to allow, if required, eligible voting members time to seek the views of their respective representative on the options open to them. Also, in the event of the proposal being rejected this would allow time to plan for the transfer of budgets and responsibilities.

It was recommended that the eligible Schools Forum members representing maintained schools seek the views of their respective maintained school representatives with a view to a vote at the Schools Forum on the 12th November. The Clerk would forward a list of the current maintained schools in Stockton along with contact information to Mr E Squire.

RESOLVED that Mr E Squire would send the delegation / de-delegation document to all maintained schools in Stockton prior to the next meeting to gather feedback.

## **10. ANY OTHER BUSINESS**

### **10.1 Introduction**

M McCarthy, Director of Children's Services introduced herself to the members of Schools Forum.

**11. DATE AND TIME OF NEXT MEETING**

RESOLVED that the next meeting of Schools Forum would be held on 12th November 2024 at 1.00 p.m.

## AGENDA ITEM 5

### REPORT TO SCHOOLS FORUM

12<sup>th</sup> NOVEMBER 2024

## DELEGATION – DEDELEGATION 2025/26

### SUMMARY

1. Funding for de-delegated services must be allocated through the formula but can be passed back, or de-delegated for maintained primary and secondary schools with school forum approval.
2. The authority is proposing the option of de-delegation (i.e. central management) for all of the areas covered in this report for 2025/26.
3. An equivalent paper was presented and discussed at the last Forum on 8<sup>th</sup> October so members were aware of voting at today's meeting. Also in the event of any of the proposals being rejected this would allow time to plan for the transfer of budgets and responsibilities.

### RECOMMENDATION

4. That the eligible **Schools Forum members representing maintained schools** vote separately according to their sector on the proposals to de-delegate services set out in the report.

### DETAIL

5. Under the government's funding reforms there is an assumption of delegation for a number of budget areas which are currently held centrally for maintained schools and are delegated for academies. **Maintained schools' primary and secondary representatives on the Schools Forum can vote, by sector**, to de-delegate these areas where it is proposed by the local authority. The outcome of the vote is binding for all maintained schools in that sector.
6. If the Schools Forum voted against the proposals for de-delegation then a range of costs and associated responsibilities currently met centrally by the local authority will transfer to maintained schools for them to manage themselves. The budget for these costs would also transfer to schools on a formula basis which was previously consulted on and agreed.
7. Academies are not part of these arrangements since these responsibilities and the funding for them are automatically delegated to academies through the ESFA using the local funding formula.
8. Responsibility for a number of services and associated funding that falls within the regulations has been delegated for several years and it is proposed that this continues for those areas namely, insurances, museum and library services and staff supply costs (other than trade union duties).
9. The Schools Forum agreed to de-delegation last year for services in the section below for all primary and secondary maintained schools (i.e. excluding academies).

**BUDGETS PROPOSED FOR CONTINUED DE-DELEGATION**

10. A summary table of the services, their related estimated funding and the basis the funding which would be removed from the formula is shown in the table below.

Service	Primary £	Primary Basis	Secondary £	Secondary Basis	Total £
Contingencies	£9,585	£2.17 per child (NoR)	£3,535	£2.33 per child (NoR)	£13,120
Support to Schools Partnership Fund	£22,115	£5.00 per child (NoR)	£8,537	£5.63 per child (NoR)	£30,652
Staff costs supply cover – Union facilities time	£6,688	£1.51 per child (NoR)	£2,546	£1.68 per child (NoR)	£9,234
Behaviour and Support Services	£41,605	Low Att Total Primary Units	£25,446	Low Att Total Secondary Units	£67,051
Free school meals eligibility	£0	No longer de-delegated	£3,985	£2.63 per child (NoR)	£3,985
School Improvement Functions	£16,198	£3.66 per child (NoR)	£5,552	£3.66 per child (NoR)	£21,750
<b>TOTAL</b>	<b>£96,191</b>		<b>£49,601</b>		<b>£145,792 *</b>

\* above takes account of schools known to be converting to academy status before 4th January 2025.

The number of maintained schools on which the above estimates are based is:-

Primary Schools - 15  
Secondary Schools - 1

11. **Contingencies Formula Errors** (1.1.1): This budget relates to a contingency for correction of errors in the funding formula. If this budget wasn't in place then the schools budget would have to be asked to absorb these costs or corrections made in future years.
12. **Partnership Fund** (1.1.1) - Relates to support to the Schools Partnership Fund. In line with the Stockton Borough Council School Improvement Framework, a fund is in place to support maintained schools experiencing challenging circumstances. Schools may be those in Ofsted categories or vulnerable to weak outcomes.
13. **Staff costs supply cover (not sickness)** (1.1.9): This budget relates to trade union facility time. Under the Employment Acts Trade Union representatives have a statutory right to reasonable paid time off from employment to carry out trade union duties and training. The following considerations should be taken into account:-
- Maintained Schools:**
    - In the past facility time for senior teacher trade union representatives based in schools has always been funded by centrally retained DSG funding. This report recommends this continues by approving de-delegation for maintained schools.
    - If this is not supported the budget will be delegated and schools will have to make their own arrangements for negotiating and consulting with the trade

unions on changes to HR policies which will lead to duplication of effort and inconsistencies across schools.

- iii. Trade union representatives have a legal right to time off to participate in the collective bargaining arrangements of their employer and to represent their members. If the de-delegation were not agreed individual schools would have to bear the cost of the time off for the senior TU reps nominated by their union to participate in these discussions.

**b. Academies (receive funding for TU facilitation in their budget) - options:-**

- i. They contribute in the same way maintained schools do;
- ii. They are invoiced for TU time spent in their establishment by the trade union representatives, which has been paid for by the LA, and then reimburse the LA accordingly. They invoice the authority for time spent by TU reps, employed by the academy, spent in maintained schools; or
- iii. They make their own arrangements with the trade unions for representatives from the trade unions amongst their own workforce.

14. Letters from the various trade unions and NASUWT supporting de-delegation are attached to this paper. If de-delegation is agreed for trade union facilitation arrangements then the LA would be willing to manage the pooled arrangements and contact academies to make them the offer to buy into the arrangements in support of good industrial relations across the borough. Resources are limited to contributions only and payments will only be made up to the value of the budget.

15. Behaviour and Support Services (1.1.2): This budget relates to provision of advice, support and training to schools, on behaviour, social and emotional aspects of learning in order to avoid wherever possible exclusions and incidences of disruptive behaviour. The SEMH service is made up highly skilled teachers and caseworkers whose role is to support schools and staff in Stockton to further improve their understanding of the needs of their pupils. Maintained schools have received their de-delegated credits for 2024-25 alongside a copy of the new offer. Academies and independent schools and colleges can continue to purchase support through the SEMH offer. The offer includes strategic support, offers of Continuous Professional Development sessions and individual pupil and staff support.

Other routes of support from this team can be accessed through One Point panels and/or EHCP panels for pupils who are undergoing statutory assessment or who have an EHCP.

16. **Free school meals eligibility** (1.1.4): This budget relates to the administration of the free school meal eligibility scheme currently undertaken by Customer Services.

17. **School Improvement Fund** (1.6.7): The Government proceeded with reducing the local authority school improvement monitoring and brokering grant by 50% for financial year 2022 to 2023, with full removal in financial year 2023 to 2024. Provision has been included in the School and Early Years Finance Regulations 2022 (England) to allow local authorities to deduct funding for local authorities' core school improvement activities from maintained school budgets via the de-delegation process. The figure requested has now been reduced to £21,750 which is 50% of that requested last financial year (2024/25 £43,500) to reflect the service requirement and also to account for further academisation in Stockton.

18. **National Copyright Licenses**: The Secretary of State will continue to negotiate a number of licences on behalf of Local Authorities and "top-slice" LA DSG budgets to cover the cost. The 2025/26 figure will be provided by DFE as part of the DSG budget in December 2024 (2024/25 £155k). The licences covered under this arrangement in 2025/26 will be:-

- i. Copyright Licensing Agency (CLA)
- ii. School Printed Music License (SPML)
- iii. Newspaper Licensing Agency (NLA)
- iv. Education Recording Agency (ERA)
- v. Public Video Screening Licence (PVSL), managed by Filmbank
- vi. Motion Picture Licensing Company (MPLC)
- vii. Performing Rights Society License (PRSL)
- viii. Phonographic Performance License (PPL)
- ix. Mechanical Copyright Protection Society License (MCPS)
- x. Christian Copyright Licensing International License (CCLI)

**Contact Officer:** Andy Bryson, Chief Accountant  
**Tel No:** 01642 528850

The provision for funding for facility time to be delegated to schools was enacted in 2013, and since then in many authorities, facility time has been de-delegated to form a local authority central pool, which academies can also access.

Schools Forums are likely to revisit this issue on an annual basis, and the continuation or adoption of de-delegated arrangements should be made.

### The case for de-delegation

- Good industrial relations and constructive solutions to issues are vital for schools to be happy and productive workplaces and educational standards to be improved.

The NASUWT share the employers' desire for every school to be the best that it can be.

- There is plentiful evidence that where union representatives work collaboratively with employers, significant savings were made in the following areas: lower dismissal rates and voluntary exit rates that reduced recruitment costs, lower rates of employment tribunal cases, lower workplace injuries and lower workplace-related illnesses. In 2007, a government report found that facility time contributed to savings across the economy of up to £1bn.

- Section 168 of the Trade Unions and Labour Relations Act 1992 (TULRA) gives representatives of recognised trade unions the right to claim reasonable paid time off for specified purposes.

- The specified purposes include negotiations over collective bargaining, which is defined in law as relating to terms and conditions of employment, the physical conditions in which workers are required to work, engagement and termination of workers, allocation of duties, matters of discipline, trade union membership, facilities for officers of trade unions, and arrangements for consultation or negotiation.

- Other specified purposes include consultations over redundancies and Transfer of Undertakings (Protection of Employment) Regulations (TUPE) and this continues to be a driver of casework in the Stockton area as maintained school convert to academy trust status and indeed when academy school change trusts. Employers may also agree other functions which representatives may perform. The amount of 'reasonable' time off is not defined in the statute.

- De-delegated arrangements are the most cost-effective way for schools to meet their legal obligations.

- If funds are delegated, each individual school will need to fund the cover the additional requirements for representatives to be trained, and the supply costs of cover that will be required for the school-based representatives to undertake duties.
- The cover costs of training alone will be a minimum of £2000 per year (one representative for NASUWT, NEU, GMB, and UNISON each receiving 2-3 days training). The actual cost is likely to be significantly higher however, as the Employment Tribunal ruled in *Bennett v London Borough of Camden* that up to 36 days paid leave for training was reasonable.
- In addition to the visible work local trade union representatives undertake in schools and with the authority, there is also substantial hidden work primarily advising members and resolving issues before they even come to the attention of school managements.
- This unseen work saves schools considerable amounts of both time and money. If this facility is removed, it is likely that schools would see a considerable upsurge in cases.
- There are substantial benefits of working with local and regional teaching and support staff trade unions in cases involving individual employees, who are entitled to trade union representation.
- Effective employee relations between the authority, Academy Trusts, the school and the trade union helps to ensure that casework is quickly resolved via negotiations or consultation without the necessity for cases to result in an employment tribunal, which is costly for the school and employer or authority.
- Many workforce disputes, exit arrangements and effective solutions to workforce matters in schools are resolved at local level, again preventing the need for employment tribunal or court cases.
- Unions, authorities and academy trusts work in partnership to develop model policies and procedures suitable for schools and are consulted on guidance to schools on many aspects of national and local terms and conditions. These benefits also apply to academies, whether or not they buy HR services from the authority.
- Although many of the unions employ regionally-based staff to deal with high level cases, it is beneficial to all parties to resolve issues at the earliest opportunity. This is why supporting paid time off for local union representatives makes sound business sense.
- Schools within the local authority will be requested to release accredited union representatives appointed in accordance with the facility time agreements, in order to carry out the bargaining and representation functions across the authority.
- These accredited union representatives are normally more highly qualified and experienced than school-based representatives. De-delegated funds allows the release of these authority-wide



representatives, which all schools and academies can benefit from.

- Schools benefit from good employee relations across the authority as well as from the model policies, procedures and guidance, specifically for schools published by the authority in consultation with the unions.
- The importance of an adequate amount of facilities time cannot be overestimated. Section 1 of the ACAS Code of Practice says "Union representatives undertake a variety of roles in collective bargaining and in working with management, communicating with union members, liaising with their trade union and in handling individual disciplinary and grievance matters on behalf of employees."
- There are positive benefits for employers, employees and union members in encouraging the efficient performance of union representatives' work, for example in aiding the resolution of problems and conflicts at work. The role can be both demanding and complex. In order to perform effectively union representatives need to have reasonable paid time off from their normal job in appropriate circumstances."

Abridged from NASUWT Briefing note "Schools Forum & Facility Time"

July 2020

Lester Russell

Stockton-on-Tees

Negotiating Secretary, Caseworker

National Executive Member for District 2,

Stockton-On-Tees, Hartlepool, Middlesbrough and Redcar & Cleveland

NASUWT

Reviewed Sept 2024

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Dear Director

We are writing on behalf of all employees working in your local authority area who are members of NAHT, ASCL and the National Education Union (NEU).

Acting in accordance with advice issued by the Local Government Association and the National Employers' Organisation for School Teachers, the vast majority of schools made the right decision last year by agreeing through their Schools Forum to 'de-delegate' funding for supply cover costs, including for trade union facilities time.

We believe that the central retention and distribution of this funding is the most effective and efficient arrangement, and we would like to work with you to ensure that this arrangement continues. Discussions are now taking place in your authority on funding arrangements for supply cover costs from April next year and we are asking you to pass the information in this letter to members in your Schools Forum and to encourage them to vote for de-delegation of funding arrangements for supply cover costs.

Successive governments have recognised the importance of good industrial relations and have legislated to provide a statutory basis for facilities time as follows:

- Paid time off for union representatives to accompany a worker to a disciplinary or grievance hearing.
- Paid time off for union representatives to carry out trade union duties.
- Paid time off for union representatives to attend union training.
- Paid time off for union 'learning representatives' to carry out relevant learning activities.
- Paid time for union health and safety representatives during working hours to carry out health and safety functions.

These provisions are contained within the Employment Relations Act 1999 and the Trade Union Labour Relations (Consolidation) Act 1992 and the Safety Representatives and Safety Committees Regulations 1977.

NAHT, ASCL and NEU have members and union representatives in academies as well as maintained schools within your local authority area and, in addition to seeking your support for de-delegation, we are seeking your agreement for the local trade union funding arrangement to be formally extended to academies within your local authority boundary.

As the DfE Advice on Trade Union Facility Time acknowledges, the trade union recognition agreement between the authority and the recognised unions will have

transferred to each academy school as the new employer of the transferred staff as part of the conversion process to academy status under TUPE. We believe that, following conversion, academies should also become parties to local authority trade union facilities arrangements.

The academies within your authority will have received funding for trade union facilities time in their budgets and they are permitted to use that funding to buy-back into local authority arrangements. Indeed, many academies across England have already agreed to buy in to local authority trade union facilities arrangements.

Pooled funding will help the local authority and all schools to meet their statutory obligations on trade union facilities time. Setting up a central funding arrangement will allow academies to pay into a central pool if they wish to. But most importantly it will help maintain a coherent industrial relations environment where issues and concerns whether individual or collective can be dealt with more effectively. All these points are echoed in the advice issued by the LGA and NEOST.

We urge you therefore to support the de-delegation of funding for trade union facilities time and to continue or establish (if you did not do so previously) a mechanism whereby academies within your authority are able to buy into a central fund for trade union facilities time. If you agree to do so, we will write to academy principals to encourage them to buy in to your arrangement.

We will be writing to you again later in the year to find out the decisions made by your Schools Forum.

Yours sincerely



**General Secretary  
ASCL**



**General Secretary  
NAHT**



**General Secretary  
NEU**

## AGENDA ITEM 7

### REPORT TO SCHOOLS FORUM

12<sup>th</sup> NOVEMBER 2024

## Schools Funding Consultation Report 2025-26

### SUMMARY

1. Dedicated School Grant (DSG) to Local Authorities is allocated in blocks. There are blocks of funding for Early Years, Schools, High Needs and Central School Services. The Education and Skills Funding Agency (ESFA) uses the national funding formula to calculate the blocks within the DSG that are allocated to local authorities. Local authorities currently have some flexibility in how this funding is allocated to schools, within the framework and constraints set out by the ESFA.
2. This paper sets out the results of this recent local consultation with maintained schools and academies which covered a 0.5% transfer from the Schools to High Needs block for 2025/26. The Schools Forum should take into account the views of the schools responding before making their decision.

### RECOMMENDATION

3. Schools Forum is asked to consider and vote on a proposal to transfer 0.5% (higher of 0.5% or £900k) from the schools block to the high needs block in 2024/25 (Q4) noting that:-
  - All Schools Forum Members may vote on this proposal.
  - It is a Schools Forum decision on whether to accept this proposal. In the event that Schools Forum does not agree, the DfE are able to decide if the local authority requests this via the disapplication route.

### DETAIL

4. The council recently held a consultation on school funding arrangements for 2025/26. This took place between 9<sup>th</sup> October and 6<sup>th</sup> November. A copy of the consultation document issued to schools is attached at **Appendix A** to this report.

### Summary of the Consultation Responses

5. Of the 78 schools consulted with, 44 responses were received (compared to 28 in the previous year). The responses include a block of 11 votes from one Academy Trust and a block of 5 votes from another.
6. The breakdown of the 44 responses (which is a 56% response rate) is shown in the table below:-

LA Primary	10
LA Secondary	1
Primary Academy	25
Secondary Academy	4
AP / Special Academy	4
<b>TOTAL</b>	<b>44</b>

7. Further detail on each of the proposals and consultation responses are provided below. A log of consultation response comments are set out in **Appendix B**.
8. The council consulted on a 0.5% (higher of 0.5% or £900k) transfer from the schools block to the High Needs block. Information was provided to schools on the background to the proposal as part of the consultation document attached at **Appendix A**.

### **Consultation Responses**

9. Of the 44 responses received **23 (52%) supported the proposal**, 20 (45%) did not and there was 1 response with No View. From the 23 that supported the proposal, 13 of the respondents were from Academy Trusts with the remaining 10 from Maintained Schools. From the 20 responses that did not support the proposal, 1 was from a maintained school and 19 were from Academy Trusts (including a group response of 11 replies from Bishops Hogarth and a group response of 5 from Prince Regent Street Trust).

**Please note that Bishop Hogarth response was provided after the 5pm deadline on the 6<sup>th</sup> November set for returns. I was also asked to include Oxbridge Primary as part of Prince Regent Street Trust response even though it has not yet converted.**

	Yes	No	No Views	Total
Academy	13	19		32
Maintained	10	1	1	12
	<b>23</b>	<b>20</b>	<b>1</b>	<b>44</b>

10. As noted above 11 of the responses were from the academy trust with the most schools under its umbrella within the borough. If this group response was excluded from the results above 23 (70%) of the respondents would have supported the proposal with 9 (27%) not supporting it.

<b>Excluding Bishops Hogarth</b>	Yes	No	No Views	Total
Academy	13	8		21
Maintained	10	1	1	12
	<b>23</b>	<b>9</b>	<b>1</b>	<b>33</b>

11. If the responses from academy trusts were only counted as 1 reply each then 23 (77%) of the respondents would have supported the proposal with 6 (20%) not supporting it.

Group Trusts 1 Reply	Yes	No	No Views	Total
Academy	13	5		18
Maintained	10	1	1	12
	<b>23</b>	<b>6</b>	<b>1</b>	<b>30</b>

12. Schools Forum is asked to consider and vote on a proposal to transfer 0.5% (higher of 0.5% or £900k) from the schools block to the high needs block in 2025/26 noting that:-
- All Schools Forum members may vote on this proposal.
  - It is a Schools Forum decision on whether to accept this proposal. In the event that Schools Forum does not agree with the proposal, the DfE are able to decide if the local authority requests this via the disapplication route.

**Contact Officer:** Andy Bryson, Chief Accountant  
**Tel No:** 01642 528850

## **School Funding 2025/26 - Consultation Document**

### **PURPOSE**

To seek views from maintained schools, academies and free schools on proposals in respect of Schools and High Needs Budgets for 2025/26. The results of this consultation will be presented at the School Forum Meeting on 12<sup>th</sup> November for relevant Forum Members to vote.

Schools forums have a range of responsibilities relating to local funding formulae for mainstream schools. For example, they must be consulted by their LA on changes to local funding formulae for schools and Schools Forums must decide on LAs' proposals to move up to 0.5% of the schools block to other funding blocks. This consultation fulfils the Forums responsibilities.

This consultation ends on **Wednesday 6<sup>th</sup> November 2024.**

### **HIGH NEEDS BUDGET**

The High Needs block supports provision for pupils and students with special educational needs (SEN) and disabilities (SEND), from age 0 to 25, and alternative provision (AP) for pupils who, because of exclusion, illness or other reasons, cannot receive their education in mainstream schools.

As schools will be aware since the introduction of the new SEND code of practice in 2014, there has been a year on year increase in the demand placed on the High Needs Block due to increased numbers of children requiring SEN support and Education, Health and Care Plans (EHCPs).

At the end of the 2023/24 financial year the deficit against the Dedicated School Grant (DSG) was £3.798m.

Although we have not yet finalised the quarter 3 budget monitoring exercise it is apparent that the high needs budget is continuing to see increased demand for additional placements and higher levels of support. The main areas of pressure are as follows: -

Agency Placements – There are currently 158 placements which leaves £486k of growth funding available to support any further placements and fee increases this year. However, this only equates to approximately 7 new placements at an average of £65k each per annum.

Out of area placements – There are currently 121 placements in other LA schools which is currently expected to result in an overspend of £224k. This relates to 8 additional placements since the budget was set plus further 1:1 support costs.

SBC Top-ups - There has been a significant increase in the levels of funding requested by SBC Special Academies and also pressures resulting from the initial implementation of the Delivering Better Value



(DBV) mitigations from September 2024 to increase capacity in SBC mainstream schools. This prevents the need to place in more expensive Independent Special School and other LA placements.

Alternative Provision (AP) – Although the LA is looking at AP and the support available, as this is one of the mitigations in the DBV programme, the costs of support are continuing to increase. At present, the AP budget is expecting to be c£170k overspent.

The Council is currently working on all of the mitigating actions as notified to the Government as part of the Delivering Better Value Programme. The current DSG Management Plan which was also provided as part of the DBV Programme is showing a cumulative deficit of £35m. The authority is working on the mitigating actions to reduce this down to a balanced position but these actions will take time to develop and implement before savings can be made / increased costs offset.

For 2025/26 local authorities will continue to be able to transfer up to 0.5% of their schools block to the high needs block of the DSG, with Schools Forum approval. Last year the Forum supported a transfer of 0.5% (£0.837m) from the Schools Block to the High Needs Block. A disapplication will be required to the Secretary of State for transfers above 0.5%, or any amount without Schools Forum approval.

Due to the timing of the general election, the publication of the notional schools and high needs national funding formula (NFF) allocations for 2025 to 2026 has been delayed. ESFA aim to publish NFF allocations for schools and all supporting documents on the NFF (including the schools operational guide and NFF technical note), for 2025 to 2026 as soon as possible following the budget announcement on **30 October 2024**.

As a result of the above an accurate figure that equates to 0.5% cannot be calculated. Therefore it is proposed that the amount set for 2025/26 is limited to the higher of 0.5% or £900k for 2025/26.

The Council consider this proposal a fair balance where the transfer will be minimised to ensure schools receive the maximum possible increase in their budgets to reflect the on-going pressures that they have identified in recent years, whilst the DSG deficit and shortfall in the High Needs budget is addressed.

**Consultation Question**

**Question 1 - Question 1 - Do you support the transfer of 0.5% (higher of 0.5% or £900k) from the Schools Block to High Needs Block in 2025/26?**

	Response	Comments
Yes		
No		
No views		

Please complete and certify this sheet and return electronically with your consultation to: [andy.bryson@stockton.gov.uk](mailto:andy.bryson@stockton.gov.uk) by 5pm on Wednesday 6<sup>th</sup> November 2024.

If you are unable to include electronic signatures could you please provide authorisation within the body of the email from both the Headteacher and Chair / Clerk to Governors.

**Name of School:** .....

.....	.....
<b>Chair or Clerk to Governors</b>	<b>Headteacher</b>
<b>(Please specify)</b>	

.....	.....
<b>Print Name</b>	<b>Print Name</b>

## Appendix B

### LOG OF CONSULTATION RESPONSES

#### **Question 1 - Do you support the transfer of 0.5% (higher of 0.5% or £900k) from the Schools Block to High Needs Block in 2025/26?**

<b><u>RESPONSE NO.</u></b>	<b><u>COMMENTS</u></b>
1	Constantly supporting the pot with additional funds is not the long-term solution to the High Needs Funding Crisis. This needs to be addressed separately, not supported by the Schools Block.
2	We support retaining the transfer of 0.5% from the Schools Block to High Needs block in 2025/26, however, we would like to highlight that National Funding Formula continues to only apply to mainstream settings and therefore, places additional financial pressures on special schools. Hence, why the local authority are probably feeling the pressure from special provisions who are having to seek additional funding via Top-ups.
3	Having access to specialist placements or good quality Alternative Provision is crucial for Stockton schools at the moment. Funding needs to be available to allow this to happen.
4	As a specialist provision, we agree with the transfer to support the high needs block. All schools have access to this and it gives financial capacity to enable effective support for most vulnerable young people in the borough. Given the increasing demand and pressures on the budget, along with the increase in numbers of young people with complex needs and the complexity of their needs, this is absolutely essential.
5	We feel it is paramount to take control of these budgets at school level.
6	We have previously supported the transfer but whilst we appreciate the pressures on high needs there are acute pressures on mainstream funding too. Transferring from the schools block both exacerbates the challenge with mainstream funding and masks the structural issues with high needs funding.
7	I consider this to be a fair transfer
8	We do not support a transfer of 0.5% (higher of 0.5% or £900k) from the Schools Block to High Needs Block in 2025/26. We are sympathetic to the pressures faced in the High Needs Block, but solutions should be ring-fenced within this block through continuing efficiencies to reduce costs and the lobbying of government to increase funding. Pressures on school budgets within the Schools Block remain intense and 100% of the funding allocated to this block by government should be spent on school budgets.
9	Already Pressures on the schools budget
10	Although it will be a 'drop in the ocean' in the current climate we feel it is a way to try to address the complexities and demands of the growing needs in our main stream schools; in the shorter term.

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## AGENDA ITEM 8

### REPORT TO SCHOOLS FORUM

12<sup>th</sup> NOVEMBER  
2024

## SCHOOLS BUDGET MONITORING REPORT 2024/25

### SUMMARY

1. This paper provides members of the Forum with the current projected outturn position on the Schools Budget based on information to the end of September 2024.
2. The Dedicated Schools Grant (DSG) budget was set for 2024/25 assuming a small overall saving of £17k, intended to reduce the DSG deficit down to £3.78m at the end of 2024/25. This was in-line with our Delivering Better Value (DBV) submission to DfE in January 2024.
3. However, based on a review of projected expenditure on High Needs at quarter 2 (outlined below) it is now expected that this target will not be met. Instead, an in-year overspend of **£536k** is now expected which will increase the cumulative deficit b/fwd from 2023/24 of **£3.8m** up to **£4.3m** instead of the budgeted position of **£3.78m**. This revised position will be reflected in the medium term financial plan.
4. Please note however that the projected overspend described above does not take account of any potential offsetting savings on other DSG blocks. For example, we have seen a significant increase in funding for the Early Years Block relating to the Governments childcare expansion programme. The funding rates we have set are based on estimated activity levels and once the data has been analysed for the summer and autumn terms 2024, quarter 3 should provide a more accurate picture

### RECOMMENDATION

5. That the Schools Forum note the current financial position on the schools budget.

### School Budget

6. **Appendix 1** shows the revised budget against the projected outturn for 2024/25 on the Schools Budget as at 30<sup>th</sup> September, in the prescribed DfE Section 251 reporting format. The reasons for significant variances between planned and projected spend are: -

- a. Line 1.2.1 Top-up funding – maintained schools - **c£57k estimated overspend** on top-ups relating to an increase in the number of pupils placed in other LA maintained schools (4 new placements since the budget was set). This is **offset by c£100k saving** on the SBC maintained schools top-up contingency budget which reflects further academisation.
  - b. Line 1.2.2 Top-up funding – academies, free schools and colleges – Anticipated **£200k overspend** resulting from a significant increase in the levels of funding requested by SBC Special Academies. Also, **£167k overspend** in 1:1 support costs and top-ups for additional placements for SEND pupils placed in other LA maintained schools (4 new placements since the budget was set).
  - c. Line 1.2.5 SEN support – **£29k overspend** on the Middlesbrough HI/VI service. Increased costs arising from a review of the joint arrangement charges which mainly resulted from increases in employer's teacher's pay and pension costs.
  - d. Line 1.2.7 Other AP provision - **£200k overspend** on tutoring costs and other support for excluded pupils.
7. Any surplus or deficit on the Schools Budget supported by Dedicated Schools Grant (DSG) is carried forward to the following financial year.

**Contact Officer:** Andy Bryson, Chief Accountant  
**Tel No:** 01642 528850

## Schools Budget - Comparison of Planned and Projected Spend 2024-25 at Qtr 2

	2024-25 Revised Budget as at Q2 £	2024-25 Projected Outturn £	2024-25 Over / (Underspend) £
			(+/-)
<b>1 SCHOOLS BUDGET</b>			
1.0.1 Individual Schools Budget (before Academy Recoupment)	187,739,312	187,739,312	0
1.0.2 High needs place funding within Individual Schools Budget	10,897,333	10,897,333	0
1.1.1 Contingencies	48,700	48,700	0
1.1.2 Behaviour Support Services	72,975	72,975	0
1.1.3 Support to UPEG and bilingual learners	0	0	0
1.1.4 Free School Meals eligibility	3,985	3,985	0
1.1.5 Insurance	0	0	0
1.1.6 Museum and Library Services	0	0	0
1.1.7 Licences/subscriptions	0	0	0
1.1.9 Staff costs - supply cover	10,272	10,272	0
1.2.1 Top-up funding – maintained schools	1,709,009	1,666,009	(43,000)
1.2.2 Top-up funding – academies, free schools and colleges	13,375,889	13,742,889	367,000
1.2.3 Top-up and other funding – non-maintained and independent providers	11,623,116	11,623,116	0
1.2.5 SEN support services	2,005,606	2,034,606	29,000
1.2.6 Hospital education services	165,000	165,000	0
1.2.7 Other AP provision	965,725	1,165,725	200,000
1.2.8 Support for inclusion	644,993	644,993	0
1.2.11 Direct Payments (SEN and disability)	5,000	5,000	0
1.2.13 Therapies and other health related services	204,000	204,000	0
1.3.1 Central Expenditure on Children under 5	1,166,314	1,166,314	0
1.4.1 Contribution to combined budgets	138,748	138,748	0
1.4.2 School admissions	211,283	211,283	0
1.4.3 Servicing of schools forums	21,422	21,422	0
1.4.4 Termination of Employment Costs	11,141	11,141	0
1.4.5 Falling Rolls Fund	0	0	0
1.4.6 Capital Expenditure from Revenue (CERA)	0	0	0
1.4.7 Prudential borrowing costs	0	0	0
1.4.8 Fees to independent schools for pupils without SEN	0	0	0
1.4.9 Equal Pay - back pay	0	0	0
1.4.10 Pupil growth / Infant class sizes	530,000	530,000	0
1.4.11 SEN transport	0	0	0
1.4.12 Exceptions agreed by Secretary of State	0	0	0
1.4.14 Other Items (Copyright Licences )	202,447	202,447	0
<b>CENTRAL PROVISION WITHIN SCHOOLS BUDGET (FORMER ESG RETAINED DUTIES)</b>			
1.5.1 Education welfare service	76,000	76,000	0
1.5.2 Asset management	23,000	23,000	0
1.5.3 Statutory/ Regulatory duties	383,000	383,000	0
<b>CENTRAL PROVISION FUNDED THROUGH MAINTAINED SCHOOLS BUDGET</b>			
1.6.1 Central support services	0	0	0
1.6.2 Education welfare service	0	0	0
1.6.3 Asset management	0	0	0
1.6.4 Statutory/ Regulatory duties	0	0	0
1.6.5 Premature retirement cost/ Redundancy costs (new provisions)	0	0	0
1.6.6 Monitoring national curriculum assessment	0	0	0
1.6.7 School Improvement	43,500	43,500	0
<b>1.6.1 TOTAL SCHOOLS BUDGET (before Academy recoupment)</b>	<b>232,277,770</b>	<b>232,830,770</b>	<b>553,000</b>
1.7.1 Estimated Dedicated Schools Grant for 2024-25	(232,294,770)	(232,294,770)	0
1.7.2 Dedicated Schools Grant brought forward from 2023-24 (See below)	0	0	0
1.7.4 EFA Funding	0	0	0
1.7.5 Local Authority additional contribution	0	0	0
<b>1.7.6 Total Funding Supporting the Schools Budget</b>	<b>(232,294,770)</b>	<b>(232,294,770)</b>	<b>0</b>
<b>In Year Deficit / (Surplus)</b>	<b>(17,000)</b>	<b>536,000</b>	<b>553,000</b>

### Cumulative Position

Forecast 2024/25 DSG overspend / (underspend) at 31/03/25 (as above)

536,000

Add: DSG overspend b/fwd from 2023/24

3,797,620

Overall projected cumulative DSG overspend at 31/03/25

4,333,620

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