

SCHOOLS FORUM
VIRTUAL MEETING
HELD ON 17th JANUARY 2023

PRESENT:

Diocesan Representative: Mr K Duffy

Primary Maintained School Headteacher: Mrs C Taylor

Primary Academy Representative: Mrs S Richardson and Mrs J Armstrong

Primary Governor: Mrs M Dowson and Mrs L Dowson

Secondary Maintained Headteacher: Mr R Henderson

Secondary Academy Headteachers: Mr S White, Mrs G Booth and Mrs L Spellman

Special School Representative: Mrs C Thomas

Pupil Referral Unit: Mrs E Carr

LA Representative: Councillor C Clark

14-19 Representative: Mrs L Graham

Observers: Councillor L Evans
Mrs L Marron

OFFICIALS: Mr A Bryson – Chief Accountant
Mr M Gray – Director of Children's Services
Mr E Huntington – Head of Education
Mr G Waller – Senior Accountant
Miss K Gallagher - Secretary to the Forum

1. **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Mrs B Atkinson and Mrs A Swift

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 – 15th November 2022**

RESOLVED that the minutes of the meeting held on 15th November 2022 be approved.

4. **MATTERS ARISING**

4.1 **DSG Funding**

In response to a question, Mr A Bryson confirmed that this was on-going and would be presented at the next meeting.

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5. BUDGET MONITORING – SCHOOL BUDGETS 2022-23

A copy of the Schools Budget monitoring report for 2022-23 and supporting appendices had been circulated prior to the meeting to review.

The purpose of the paper provides members of the Forum with the current projected outturn position on the Schools Budget based on information to the end of December 2021.

The DSG was a ring-fenced grant that was paid to Local Authorities specifically to be used in support of the school's budget. For 2021/22 Stockton's total DSG was £191.79m. £157.409m of the grant has been allocated to the Individual Schools Budget (ISB) which was delegated to schools, academies and Private, Voluntary and Independent (PVIs) and includes funding from the Schools Block and Early Years Block. The majority of the remaining £34.39m was SEN funding for children and young people in schools and other forms of education plus some retained funding for centrally held functions relating the Central Schools Block, Early Years and High Needs.

Mr S White suggested that an additional meeting be arranged to review the increase in high needs funding and produce a three-year projection, which could be brought back to Schools Forum. Mr A Bryson explained that the LA were currently reviewing a budget forecast of high needs funding. Mr M Gray suggested that School Leaders also be included within the working party to add greater detail. It was agreed that this meeting would be arranged following the meeting.

RESOLVED that the Schools Forum note the current financial position on the schools' budget.

6. SCHOOL BUDGETS 2022-23

The High Needs funding report and supporting appendix had been circulated prior to the meeting. Mr A Bryson outlined the report which provided an update on the financial position for High Needs factoring in any recent funding announcements.

It was reported that the Local Authority had been in discussion with the DfE regarding how the deficit would be reduced. Mr A Bryson explained that the school budget outturn report which was presented to the Forum at the meeting on the 29th June 2021 showed that expenditure on Dedicated Schools Grant (DSG) exceeded budget by £1.628m during the 2020/21 financial year. The majority of the overspend was associated with High Needs budgets. This overspend meant that the overall cumulative deficit on the DSG had risen to £6.052m at the end of 2020/21. This is expected to rise to £6.142m by the end of the 2021/22.

Mrs L Marron joined the meeting.

Members of Schools Forum were informed that the national increase in high needs funding in 2022 to 2023 will be £780 million, or 9.6% compared to the amounts allocated in 2021 to 2022. This will enable all local authorities to see an increase in high needs funding in 2022 to 2023, when using the funding allocated in 2021 to 2022 as a baseline. Mr A Bryson explained that for Stockton this would mean an additional £3.072m over 2021/22, making the total £34.356m before recoupment. In addition, the Government have published details for additional high needs funding allocations as part of the DSG for 2022/23. These allocations would be on top of the DSG high needs block allocations, which would be £1.288m for Stockton in 2022/23. Stockton's allocation for 2022/23 including the additional grant would be £35.644m but this will be increased by the £0.752m transfer from Schools Block to £36.396m.

Following a review of the medium-term financial planning, it was estimated that there will

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be a funding surplus of £1.701m in 2022/23, £1.902m surplus in 2023/24 and £2.494m in 2024/25. These surpluses would be utilised to reduce the current DSG deficit. After taking account of the additional funding nationally and the projected expenditure plans the estimated deficit on the DSG would reduce from £6.142m at the end of 2021/22 to £4.441m at the end of 2022/23, reduce further to £2.539m at the end of 2023/24 and it was estimated that the DSG deficit would be eradicated by the end of 2024/25.

It was reported that the Local Authority had a corporate and strategic duty to address the deficit position and pressures on the High Needs budget. It was reported that there remained risks across the medium term from increased service requirements. Schools Forum members were reminded that any future accumulated overspend on the High Needs budget would be required to be repaid from future High Needs funding allocations.

Mr A Bryson explained that the authority will be providing an update to DfE on its revised High Needs spending forecasts.

The Chair questioned whether there had been any further guidance regarding future transfers from School Block funding. Mr A Bryson explained that the de-delegation of funds from Schools Block funding to support High Needs funding had been approved for 2022-23. There had been no further agreement for future transfers and the current projections would result in a balanced medium-term plan. However, there remained risks which members of Schools Forum would need to be mindful of, including out of borough provision and a potential withdrawal of any funding streams.

The Chair questioned whether Schools Forum were able to de-delegate funding under the new framework for 2023/24 and beyond as required. Mr A Bryson explained that if the national funding formula was imposed, the de-delegation of funding may not be possible for future years.

Mrs S Richardson requested clarification over the term 'Agency Placement'. Mr G Waller explained that for the purpose of the report the term agency referred to specialist independent schools. It had been reported that on occasion the choice of placement for a child was decided by court for a fixed amount rather than top up funding.

Mrs C Thomas praised the funding growth now being made available by the government. However, questioned whether the funding should be passed to schools rather than being used to fund the deficit figure. Mr A Bryson explained that a fundamental review had been undertaken of each line of the DSG as a comparison and projection. He explained that the additional funding was to manage the deficit and used to support high needs funding requirements in schools.

Mrs G Booth joined the meeting.

RESOLVED that the High Needs funding report be received and noted.

7. DfE UPDATES RE FUNDING / CONSULTATIONS

A copy of the Schools Budget Report 2022-23 was shared for school's forum members to review. Mr A Bryson provided a detailed overview of the report as outlined below.

- The purpose of this paper is to provide information and recommendations on the local distribution of the Dedicated Schools Grant (DSG) for the next financial year. This report sets out the proposed Schools budget and confirms the final Stockton funding formula arrangements for 2022/23.
- While it remains the government's intention that a school's budget should be set on the basis of a single national formula, in 2022/23, local authorities can

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 October and November 2021 and the results were reported to the Schools Forum on the 23rd November. The Forum subsequently agreed the proposals for the schools funding formula and a 0.5% transfer from the Schools to High Needs block for 2022/23 of £0.752m. The budget presented in this report for 2022/23 is based on the agreed decisions.
- Within the overall budget setting process, there are a few central spend decisions that the Forum has responsibility for, and these are presented for approval.

From the report the following recommendations were made to members. Mr A Bryson reviewed each point in turn, providing schools forum members with all relevant information and guidance to make an informed decision.

all It was reported that following the last meeting, all primary maintained Headteachers with reference to the de-delegation of school funds to fund the core functions of school improvement at a total cost of £43,500 for the year 2022-23. Mr A Bryson reported that paperwork submitted for the meeting had included the de-delegation. If this was to be declined, a further meeting would need to be held with updated figures. **Following a question**, it was reported that this would be calculated on a per pupil basis of £5.43.

from As the Secondary Maintained Headteacher, Mr R Henderson agreed that he was happy to support the proposal for de-delegation. Mrs C Taylor, as the Primary Headteacher representative proposed that the de-delegation be approved, subject to confirmation of the consultation. It was agreed that the confirmation would be sent to the Chair, Mr A Bryson and The Clerk to Schools Forum later that day to confirm.

Mrs C Thomas questioned whether it would be possible to provide the same detail for special schools funding. Mr A Bryson explained that there wasn't the same level of clarity presently for special schools. However, further information would be available when further guidance was received.

confirmed. **Mr K Duffy questioned whether he had voting rights within the meeting as the diocesan representative.** Mr A Bryson would review the guidance and confirm for the next meeting. Mr K Duffy explained that he would abstain from the voting, until confirmed.

RESOLVED that Schools Forum Members agree to support the approach and overall allocation of DSG for 2022/23, with particular reference to the following points.

- a. To **note** the Dedicated School Grant settlement (para 10)
- b. **Support** the funding formula and proposals for growth fund (para 17 to 21)
- c. **Note** that the authority intends to increase the 3- and 4-year-old early years rate to £4.31 and continue to set the pass-through rate at 95%. (paras 22-25)
- d. **Agree** the Early Years central spend of £0.556m (para 26)
- e. **Note** that the authority intends to increase the hourly rate for the extended two-year-old provision to £5.48 (para 27).
- f. **Note** the position on high needs spend (paras 28 to 31)
- g. **Agree** the proposed central spend block items and associated budget for 2022/23

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as detailed in paragraphs 32 to 34.

- h. **Note** the estimated deficit position on the DSG. (para 38).
- i. That the eligible Schools Forum members representing maintained schools **vote** separately according to their sector on the proposals to de-delegate the schools improvement functions as set out in the report (paras 43 to 48).
- j. **Note** information related to the Schools Supplementary Grants (paras 49 to 55).
- k. **Note** the position re Pupil Premium and other grants (paras 56-60).
- l. **Note** that if for any reason there is a need to convene a further Schools Forum meeting, 8th February is arranged for this purpose.

8. ANY OTHER BUSINESS

There were no further items of business.

9. DATE AND TIME OF NEXT MEETING

RESOLVED that the next Schools' Forum meeting be held at 1:30pm on 27th June 2023