

Schools Forum

Draft Minutes of the meeting held on 16 January 2020 – 8:30am to 10am
Orsett Hall, the Jaguar Bar, Prince Charles Avenue, Orsett, RM16 3HS

In Attendance:

Primary Academies

Head teacher – Kenningtons
Head teacher – Abbots Primary
Principal – Woodside Academy
Head teacher – Giffards Primary
CEO - Catalyst Academies Trust
Executive Head - East Tilbury Primary & Nursery
Head teacher – Aveley Primary

Ms J Sawtell-Haynes
Mrs L James
Mr E Caines – Vice Chair
Mrs N Haslam-Davis
Mr T Parfett
Mrs L Coates
Ms N Shadbolt

Primary Maintained Schools

Secondary Academies

CEO – ORTU Federation Ltd
CEO – Osbourne Co-operative Academy Trust
Harris Academy Chafford Hundred
CEO – South West Essex Community Education Trust

Dr S Asong
Mr. P Griffiths (The Chair)
Mr. L Glees
Mr. S Munday

Secondary Maintained Schools

Headteacher - Grays Convent

Mrs P Johnson

Special Maintained Schools

Head teacher – Treetops School

Mr J Brewer

Special Academy

Head teacher-Beacon Hill Academy

Ms S Hewitt

Non School Members

Diocese of Brentwood
Diocese of Chelmsford

Mrs M Shepherd
Miss S Jones

The Olive Academy

Mrs P Soltys

Also in Attendance:

Ms Michele Lucas - Assistant Director, Education Skills
Mr Malcolm Taylor - Strategic Lead – Specialist Provision/PEP
Ms A Winstone - School Improvement Manager
Mr David May - Strategic Lead - DSG and Schools
Mrs Lisa Noble - Senior Management Accountant DSG
Ms Sarah Williams - Educational Specialist, Service Manager
Miss Teresa Lydon - Clerk

1. Welcome from the Chair

The Chair welcomed the Forum to the meeting.

2. Apologies for Absence:

Apologies for absence were received from Mr R Harris, Ms C Hunniset, Mrs N Graham.

3. Agreement of Agenda, Time-Guide and Notification of Any Other Business

- a. No items changed.
- b. The Forum agreed the agenda and time guide.

4. Growth Fund

Miss Williams spoke about the need to agree the process for the allocation of growth funding for schools who take bulge classes or expanding schools whereby schools increase their admission number at the request of the Local Authority.

She advised the council continues to work with schools to ensure that there is a sufficiency of school places to meet local demand across the borough. This may involve increasing the published admissions numbers (PAN) in schools where existing places are deemed insufficient to meet projected local demand.

The growth fund may not be used to support schools in financial difficulty. Growth funding in Thurrock will be applied in the following circumstances;

- where a school or academy has agreed with the local authority to provide additional places (30 places) to meet basic need in the area (either as a bulge class or on-going commitment).
- support where a school has increased its PAN in agreement with the local authority to meet basic need in the area.

Funding will be for a full class of 30 children, funded for one year only. For example from September to the following August. There will then be an annual review of the numbers in the bulge class using the summer census. Funding in the second year will be based on the difference in actual numbers of children on roll between the summer and October census. It will not apply in the following circumstances:

- For any PAN increases which are not agreed with the local authority as part of the place planning process to meet basic need in the area.
- Where pupils are admitted above a schools PAN as a consequence of appeal, infant class size regulation exceptions or error in the school admissions process.
- The fund will not be applied retrospectively and will only apply to increases in class size agreed with the council.

Funding will not be provided following the October census whereby the class is not full to capacity.

Mr May confirmed should a surplus on the growth fund arise this is ring-fenced and would require Schools Forum to decide where this money is spent.

Miss Williams advised that they are currently in discussions to increase in the Aveley, Ockendon, Tilbury and Stanford areas in certain year groups.

The Chair commented this needs to be cost effective. The Chair asked if the money will be the same as the money they would get per pupil from the census. Mr May advised that they would guarantee this amount until the child is on the census. If the class does not fill then they will continue to pay this amount in the following year. Ms Sawtell-Haynes advised that their Year 1 class which was a bulge has never been full. This has a detrimental effect on the school budget. The Chair advised this is a risk as they may never fill the class. The Chair commented that when asking the school to take a bulge class they need to explain the risks. Mr Parfett commented that some of the buildings used for these bulge classes are not always of the highest quality. Mrs Haslam-Davis advised that the timing of putting in the classes is not always in time to stop the amount of appeals.

AGREED

The Forum members present agreed the proposed criteria for schools and academies accessing funding allocated for growth. This includes the change from the Basic per pupil entitlement to the Minimum per Pupil Values.

The Forum members present agreed the Growth Fund budget for 2020/21 of £1,385,429.

5. Dedicated Schools Grant (DSG) 2020/21

Mr May gave an overview of the paper and discussed the Dedicated Schools Grant (DSG) allocations for 2020/21, updated to reflect the October 2019 census data. The funding to be received has increased from £7,071m to £10.109m.

He advised that the High Needs Block continues to experience significant increase in demands and costs. It is proposed to transfer funding from the Schools Block £0.635m and the Central Services School Block £0.023m.

In September 2019 the government announced schools and high needs funding for the 3 year period 2020/21 to 2022/23. He advised that additional investment will allow for cash increases of £2.6 billion next year, £2.2 billion in 2021/22 and £2.3 billion in 2022/23. As well as this £1.5 billion will be provided each year to fund additional pension's costs for teachers, bringing the total schools budget £52.2 billion in 2022/23.

The High Needs National Funding Formula (NFF) for 2020/21 with over £700 million of additional funding will ensure that every local authority will receive an increase of at least 8% per head of 2 to 18 population through the funding floor.

The teachers' pay grant and teachers' pension employer contributions grant will continue to be paid separately from the NFF in 2020/21. The Chair advised that the teachers' pension has now got a date against it until April 2023. Mr May advised there is no decision beyond this date.

SCHOOLS BLOCK

The long term intention is that schools' budgets should be set on the basis of a single, national formula (a 'hard' formula) completed centrally by ESFA.

Locally, budget flexibility arrangements allows for the Schools Forums to agree transferring up to 0.5% of their School Block funding to High Needs Block.

Key Aspects of the NFF for 2020/21 are:

Minimum pupil funding levels will be set at £3,750 for primary schools and £5,000 for secondary schools. In 2021/22, the primary minimum level will increase to £4,000.

Funding floor will be set at 1.84%

There will be no gains cap in the NFF therefore all schools attract their full core allocations.

A technical change will be made to the mobility factor so that it allocates this funding using a formulaic approach.

Growth funding will be based on the same methodology as this year.

Mr May went through the Schools Funding formula 2020/21 showing a breakdown of the funding. He advised that after applying the principals agreed in November a sum of £0.900m remained unallocated. The Basic entitlement values have increased by 1.01680, this increases the amount distributed through the Basic Entitlement from £93.466m to £95.036m for basic entitlement. The minimum funding per pupil and MFG have both reduced as a result of more funding being distributed through the basic entitlement.

Mr May advised that confirmed growth has been included in the formula. This includes the two new free schools for September.

Mr May advised that they have transferred £0.635m a 0.498% increase to the High Needs Block fund. This is the maximum amount they can transfer.

Free School Meals factor has been re-introduced in Thurrock for 2020/21. Mr May handed out a report to all forum members with the amounts of money each school will receive. He advised that some schools have a significant decrease in children but have had less reduction in money due to the additional money received.

The Chair asked why the “per pupil value” varies. Mr May advised that the per pupil values reflect the individual characteristics of each school.

Mr Caines asked if all schools know their IDACI (Income Deprivation Affecting Children Index) number. Mr May advises the funding statement breaks down given to each school includes the IDACI number. Dr Asong would like the IDACI ranking sent out to all forum members.

Action: IDACI rankings to be sent to all schools

The Chair commented that it is with regret that we have to move money from the Schools Block to the High Needs Block. He feels this is not the ideal situation. He commented that the Schools Block will not be allowed to subsidise the High Needs Block in the future. Mr May commented that in the future if this is moved centrally there will be no movement of monies between the different blocks. He also commented that the Local Authority is not allowed to put money into the DSG from this year.

Mr Caines asked if they will continue to pay for Home to School transport in the future. Mr May commented that the current DSG contribution is the same value as that included in the DSG in 2005/06. Thurrock Council is seeking to stop this contribution over a phased 5 year period to support HNB and DSG deficit.

The Chair commented that we appreciate what the Local Authority are trying to do to reduce the transport costs and in future this will not be taken from the DSG. Mr Caines commented that we need to try and manage the parental expectation for SEN children. The Chair commented that the Forum does represent every child in the borough.

AGREED

- **The Forum members present voted and agreed HNB contribution of £0.635m (0.498%)**
- **The Forum members present voted and agreed with one abstention the Growth Commitments included in LFF**
- **The Forum members present voted and agreed Retained Growth budget of £1,385m**

The Cabinet will ratify the 2020/21 formula at its meeting on 12th February 2020.

CENTRAL SCHOOLS BLOCK

Mr May discussed the confirmed funding allocation for 2020/21. The majority of budget allocations for 2020/21 are a fixed contribution to statutory regulatory duties. An unallocated budget of £0.023m has been identified and it is proposed that this is transferred to the High Needs Block.

AGREED

The Forum members present voted and agreed with one abstention the following:

- **Statutory and Regulatory duties budget of:**
 - *Education Services £0.352m*
 - *Finance Services £0.140m*
 - *School Place Planning £0.053m*
- **School Admissions £0.236m**
- **Services of Schools Forum £0.014m**
- **SACRE £0.010m**
- **Contribution to HNB £0.023m**
- **Contribution to Combined Budgets £1.022m**

HIGH NEEDS BLOCK

Mr May discussed the High Needs Block funding and how the budget is made up. It has had an increase of £2.211m or 9.51%.

Mr May advised that a very challenging and stretching balanced budget is proposed but the following key risks need to be acknowledged and closely monitored throughout the year.

Key Risks:

- Top Up Funding - Thurrock Schools & Academies - Budget to equal the 2019/20 forecasted outturn. Potential financial Risk £351,980;
- Top Up Funding - Other Local Authorities (4-16) - Budget to equal the 2019/20 forecasted outturn. Potential financial Risk £57,338;
- Top Up Funding - Post 16 - Budget to equal the 2019/20 forecasted outturn. Potential financial Risk £173,114;
- Pupils not in School - A 27% decrease in cost compared to 2019/20 forecasted outturn. Potential financial Risk £60,000;
- Residential - Non Maintained and Independent - A 16% decrease in cost compared to 2019/20 forecasted outturn to reflect increase in local offer. Potential financial Risk £300,000;
- Non Residential - Non Maintained and Independent - A 20% decrease in cost compared to 2019/20 forecasted outturn to reflect increase in local offer. Potential financial Risk £300,000;
- Additional High Needs Targeted - A 36% decrease in cost compared to 2019/20 forecasted outturn. Potential financial Risk £100,000;
- High Needs Central Team - An increase on projected outturn but less than 2019/20 budget. . Potential financial Risk £79,000.
- Total Potential Financial Risk £1,421,432.

The Chair commented that this budget will be in deficit next year by 1.4m.

Mr May advised that the budget included commissioned numbers, an increase of 51 extra places for 2020/21 that were agreed at the October meeting.

Discussions are planned with Headteachers and ESFA on the High Needs Block and options available. The level of funding to be received is not sufficient to manage current demand.

Mr Taylor commented that at their Case Management meetings they are trying to make sure that plans are only completed for children who need them. In the last few months they have had extreme high costs in placing children out of borough. There has been a significant increase in these placements which are needed as there is no provision locally which will meet the needs of these children.

Mr May advised that trying to increase the local offer is the right thing to do. They also need to look at trying to move out of borough placements back in borough. Mr Taylor commented that they are making every effort possible to try and bring placements back in borough. This work is ongoing. Dr Asong commented that we need to make sure that the parental expectation is lowered and that the support they expect is not always able to be given due to the financial burdens on schools. Dr Asong feels that the plans need to be worded differently as this is a legal document. Ms Winstone commented it is very hard as parents will not sign these plans until they get what they want. Mrs James commented that the plans should be changed to not include the amount of hours.

The Chair commented that the High Needs Block is a crucial feature of the debate. It is self-evident about the cultural change around the borough and they need to look at what other boroughs do and think about changing the plan content. Mr Taylor commented the Local Authority have a duty to make sure they have an inclusive offer.

The Chair thanked the Local Authority for their openness and transparency.

AGREED

- **The Forum members present voted and agreed the High Needs Budget for 2020/21 and the associated risks.**

EARLY YEARS BLOCK

Mr May advised within the funding announcement is an additional £66 million investment in early years. A recent announcement confirms that the hourly rate paid to Thurrock will increase by 8p. This is the first increase in the hourly rate that Thurrock has received since 2016/17.

In addition the use of the carry forward has been considered and the final option for consideration is to:

- passport in full the 8p increase in hourly rates to providers;
- increase the hourly rate paid to 3 and 4 year old providers by an additional 2p per hour, with a cost implication of £45,000;
- increase the deprivation quantum and change the formula to be based on the postcode of the child, not the setting. Deprivation funding would increase from £220,000 to £285,000, a cost Implication of £65,000.
- The total cost implication of £110,000 to be funded from the available carried forward allocation of £167,000.

Mr May advised that the proposals have been discussed with both the Early Years managers and the childminders forum with the following outcomes:

- A shared understanding that Thurrock can only increase rates on receipt of funding from the ESFA.
- There is a significant risk due to the use of the January headcount for Early Years funding but providers paid on a termly basis with change in take up throughout the year.
- It was acknowledged that the funding rates paid present a significant challenge to providers.

AGREED

- **The Forum members present agreed to support the change to early year's formula but the final decision will not be voted on until the March meeting, pending the outcome of the January 20 census return thus minimising the risk and ensuring the proposal can be funded on an ongoing basis.**

DSG DEFICIT RECOVERY PLAN

Mr May commented that the historic deficit position is forecasted to be £2.150m and may increase to £3.5m by the end of 2020/21. The Chair commented that trying to balance this will significantly affect the children.

Mr May advised that a meeting is to be held with the ESFA on 11th March 2020, with representatives from the Funding and Special Educational Needs teams to support Thurrock in developing the recovery plan further. He advised that increased demand for specialist placements, Education Health and Care Plans and increase in costs in 2019/20 and 2020/21 makes the existing plan to return to a balance position by March 2022 as unachievable. For 2020/21 the focus has been on setting a balanced budget.

6. Date of next meeting

| Meeting Date | Time | Venue |
|---------------------|-------------|---------------|
| 12 March 2020 | 09:00 | To be advised |