

**SCHOOLS FORUM
20 JUNE 2024
4.30 - 5.19 PM**



Present:

Stuart Matthews, Academy School Representative (Chair)
Elizabeth Savage, Academy School Representative (Vice-Chair)
Caroline Johnson, Primary School Representative
Tim Griffith, Academy School Representative
Grant Strudley, Academy School Representative
Katie Moore, Academy School Representative

Observer:

Councillor Roy Bailey, Executive Member for Children, Young People & Learning (Observer)

Apologies for absence were received from:

Sue Butler, Early Years PVI Provider
Trudi Sammons, Primary School Representative (Headteacher)
Keith Grainger, Secondary School Representative (Headteacher)

1. Declarations of Interest

Grant Strudley declared an interest in agenda item 4 as a family member was supported by the tuition service.

Stuart Matthews, Liz Savage, Caroline Johnson and Katie Moore all declared an interest in agenda item 7 as the item directly affected their schools.

2. Minutes and Matters Arising

RESOLVED that the minutes of the meeting of the forum held on 7 March 2024 be approved as a correct record.

3. Funding Arrangements for Pupils not attending school due to Permanent Exclusions and Medical Reasons

The Forum received a report regarding pupil-led funding factors when pupils were not attending school due to ill-health or exclusion. Currently when a child was referred into the tuition service or was permanently excluded, the school continued to receive their allocated funding and it was not being redirected to their current and/or future provision.

Following an exclusion, the intention would be for the funding to follow the child to their new provision and pay towards the education needs of that child. In regard to the Pupil-led funding in relation to pupils with medical needs, there were currently approximately 49 children accessing the service, so the report also set out that the funding would follow the child into the medical need service.

Arising from comments and questions the following points were noted:

- Secondary Heads had discussed the subject and there was no objection to the permanent exclusion claw back as it seemed sensible that if the student was leaving the school then the funding should follow them.
- There were concerns raised about the claw back of funding in relation to medical, and the rate of this being 100%. With the concerns being around when a student was going into medical tuition as the schools still maintained responsibility for attendance, quality of education and safeguarding. There was also the intention that the medical provision should be short term with the intention of reintegration, which meant that schools were still likely to incur costs. It was requested that this be reconsidered.
- Duane Chappell agreed to work with Heads around the medical tuition and would set up a meeting in September.
- It was noted by the Forum of the good job that the tuition service did.
- A question was raised about how to get mental health support into schools much earlier in any form which would take a lot of pressure off of the tuition service and whether the boroughs schools were as autism friendly and mental health friendly as they needed to be.
- Duane had met with the Mental Health team recently and detailed a mental health grant of £1k that schools were able to apply for to have some specialist help within schools.
- A team of staff had been appointed to work with pupils and their families for the transition to secondary.

RESOLVED that the Schools Forum note the intention to implement the DfE funding policy for redetermination of a school's budget following a permanent exclusion, as detailed in [section 24](#) (ESFA schools operational guide 2024 to 2025).

The Schools Forum were unable to agree the recommendation set at 2.2 in the agenda, but agreed that a meeting would be held with Headteachers in September to discuss and recognise the maintaining role that schools had and the need to retain some of the funding.

4. **2023-24 Provisional Outturn on the Schools Budget and other Financial matters**

The Forum received a report informing them of the provisional outturn on the 2023-24 Schools Budget, including the allocation of balances and use of Earmarked Reserves.

The 2023-24 draft accounts confirmed, that as expected, a significant overspend occurred with the whole Dedicated Schools Grant (DSG) and that it amounted to £8.827m (£6.006m in 2022-23). The most significant overspending occurred on the High Needs Block (HNB) at £9.274m (£6.294m). The overspend on the HNB was consistent with many LAs across the county for the last few years. It had also been recognised by the Department for Education which in March 2024 agreed a bid from the council to join the Safety Valve programme. The first instalment of £6.400m was received in March 2024.

The overall balances currently held in the Schools Budget amounted to a £16.760m deficit. This increased to a deficit of £18.062m once the earmarked surplus balances held by schools of £1.302m was excluded.

Arising from the Forums comments and questions, the following points were raised:

- The overspend was not what was budgeted at the start of the financial year but was lower than the worst case projection had been at the start of 2024.
- The numbers were still broadly inline with Safety Valve and were in a manageable position.
- Staff absences mostly related to maternity leave.
- Places out of borough was still a significant overspend. Bringing places back into the borough was a key objective this year.

RESOLVED that the Schools Forum notes

- i. that the outturn expenditure for 2023-24, subject to audit, shows an over spending of £8.827m (paragraph 6.7);
- ii. the main reasons for budget variances (paragraph 6.9);
- iii. the cumulative £18.062m deficit balance held in the unusable DSG Adjustment Account, responsibility for which currently rests with the Department for Education to 31 March 2026 (paragraph 6.13);
- iv. the in-year funding transfers to and from Earmarked Reserves made in accordance with the relevant policies (paragraph 6.13).

5. **2023-24 Balances held by maintained schools**

The Forum received an annual report, updating them on the level of balances held as at 31 March 2024 by the 22 schools maintained by the council and how these compared to the previous financial year.

The Forum were reminded that balances held by academy schools were not part of the council's accounts and were excluded from the report. As Birch Hill Primary, St Michael's Sandhurst Primary and Kennel Lane Special School converted to an academy during the financial year the relevant data from those schools were excluded to ensure that appropriate comparison could be made to the previous financial year.

It was highlighted that the aggregate surplus balances had decreased by -£0.712m, from £2.014m to £1.302m (reduction of -35%). This indicated a substantial transfer of one-off funds to schools to finance their spending. This continued a trend of money coming out of the reserve rather than being built up.

On average, at 2.7% of total budget (was 4.5%), average reserves were just above the 3% minimum level considered appropriate for sufficient working balances to cover unforeseen circumstances.

An update on deficit budgets would be presented to the Forum in September. All schools with a deficit at the end of 2023-24 as well as any schools indicating a potential deficit for the first time in 2024-25 were in discussion with the council in respect of their budget position.

As a result of the discussion the following comments were made:

- Concerns were expressed about the pressure schools were under with falling balances.

- The three schools with significant surplus balances had confirmed what the plans for the money was, and officers were content with the explanations that had been given to them.

RESOLVED that the Schools Forum notes the key performance information on school balances, as set out in paragraph 6.3, and in particular;

- Aggregate surplus balances have decreased by £0.712m to £1.302m (-35%);
- The value of surplus balances has decreased by £0.772m to £1.832m;
- The value of deficit balances has decreased by £0.060m to £0.530m which continues to require close monitoring.
- Significant surplus school balances have decreased by £0.255m to £0.341m (-43%);
- At 2.7%, average balances are considered to be just below the minimum level required for working balances to safely cover unforeseen circumstances.

RESOLVED that the Schools Forum agrees that the entire significant surplus balances held by schools up to the cap permitted in the claw-back scheme has been assigned for relevant purposes as set out in the approved scheme and should not be subject to claw-back (paragraph 6.12).

6. **2023-24 Funding Allocations to mainstream schools from Budgets Centrally Managed by the Council**

The Forum received a report which presented information on the in-year allocation of funds to mainstream schools through School Specific Contingencies and other budgets that were funded from the Dedicated Schools Grant (DSG) and in the first instance centrally managed by the council. The report also presented the opportunity to amend existing funding policies. The Schools Forum were reminded that the funds only related only to mainstream schools.

The funds were used to provide targeted support to schools meeting the qualifying criteria and allocated £0.561m in 2023-24 which was an overall under spend of £0.168m. This helped to fund unpredictable and sometimes significant additional costs that only a small number of schools might face.

The associated policies provide consistency and transparency and following the changes agreed through the 2023 financial consultation with schools, revised policy text relating to the Growth Fund and Key Stage 1 class sizes had been included within the report. Due to the significantly changing SEN data a need had been identified to update the SEN contingency policy. All other policies were considered appropriate and fit for purpose with only minor changes for reasons of clarification and updating new funding rates being proposed.

Arising from the Forums comments and questions, the following points were made:

- Funding did not follow the pupil for in year transfers, especially for year 6 pupils that joined midway through an academic year which put financial pressure on the schools.
- Funding following the pupil needed to be for all students.
- SRP pupils were not included within the contingency.
- The DfE did not allow moment of funds to follow pupils through a normal transfer or in year transfers.

- It was noted that a significant number of pupils were moving from local private schools to state schools, some with high needs that may not have been a pressure on the high needs block previously.
- It was explicitly mentioned in the policies that SRPs were not included.

RESOLVED that the Forum notes the following funding allocations to schools, made in accordance with approved policies;

1. £0.185m for significant in-year increases in pupils (paragraph 6.9);
2. £0.128m for schools required to meet the Key Stage 1 Class Size regulations (paragraph 6.12);
3. £0.023m for new and expanding schools (paragraph 6.17);
4. £0.114m for schools with a disproportionate number of SEN pupils (paragraph 6.20);
5. £0.112m for schools in financial difficulty (paragraph 6.30);

RESOLVED that the Forum agrees:

1. Updated policy text for the Growth Fund
2. Removal of the Key Stage 1 class size policy
3. Updated text for the SEN Contingency
4. Minor changes to text to improve clarity of policy and the updating of funding rates where relevant (paragraph 6.33).

7. **Dates of Future Meetings**

The next meeting was 19 September 2024.

CHAIRMAN