

SCHOOLS FORUM
16 JULY 2020
4.30 - 5.35 PM



Present:

Martin Gocke, Pupil Referral Unit Representative (Governor) (Chairman)

Schools' Members

Liz Cole, Primary School Representative (Headteacher)
Karen Davis, Primary School Representative (Headteacher)
Neil Davies, Primary School Representative (Headteacher)
Peter Floyd, Special School Representative (Governor)
Keith Grainger, Secondary School Representative (Headteacher)
Stuart Matthews, Academy School Representative (Headteacher) (Vice-Chairman)
Phil Sherwood, Primary School Representative (Headteacher)
Debbie Smith, Secondary School Representative (Headteacher)
Greg Wilton, Teacher Union Representative

Observer:

Councillor Dr Gareth Barnard, Executive Member for Children, Young People & Learning (Observer)

Apologies for absence were received from:

Jane Coley, Academy School Representative (Headteacher)
Roger Prew, Primary School Representative (Governor)
Leslie Semper, Academy School Representative (Headteacher)
Richard Stok, Primary School Representative (Governor)

139. Declarations of Interest

Karen Davis, Neil Davies and Phil Sherwood declared an affected interest in respect of Item 7 (2019-20 Balances held by Maintained Schools).

Debbie Smith declared an affected interest in respect of Item 9 (Arrangements for Additional Financial Support to Schools).

140. Minutes and Matters Arising

RESOLVED that the minutes of the meeting of the Forum held on 16 January 2020 be approved as a correct record.

Arising from minute 133, Chris Taylor had prepared a PowerPoint presentation to update on the schools which had at least 10% forecast surplus places. Chris Taylor advised that he had undertaken to meet with all those schools. Of those schools, College Town and Harmans Water did not require a meeting. The meeting with New Scotland Hill was cancelled and was due to be reconvened. The meetings with Ascot Heath and Wooden Hill were outstanding.

The information provided to the schools included the School Places Plan (SPP) Forecast Methodology which had previously been shared with The Forum. They were also given detailed numbers on roll (NOR) by year group and the Published Admission Number (PAN) as well as the numbers of babies born in each designated area (the latter was new data). Chris had also been able to correlate the NOR with parental preference. Each school was given a designated area analysis.

Potential income based on forecasts was provided by Bracknell Forest Council (BFC) Finance to all schools, not just those with greater than 10% forecast surplus places. This enabled schools to plan contingency budgets.

The School Places Plan 2020-24 was approved by the Executive on 28 January 2020. The strategy included the following:

- Harmans Water reducing their PAN by one Form of Entry (FE) from September 2021;
- Great Hollands and Sandy Lane were considering a PAN reduction (Neil Davies clarified that Sandy Lane were not considering a PAN reduction whilst in lockdown due to the Coronavirus pandemic);
- Crown Wood were monitoring the impact of Harmans Water reduction in PAN and considering a PAN reduction;
- Kings Academy Binfield deferred their one FE expansion by one year to September 2022; and
- Garth Hill College and Easthampstead Park would reduce their PAN by one FE from September 2021.

Chris Taylor highlighted that the forecasts for the September 2020 Intake Year were highly accurate at 99.0% of primary and 99.4% for secondary.

The Forum noted that the data showing 2019-20 funding allocations to schools experiencing significant in-year growth in pupil numbers (Annex 2 of the report for Agenda Item 8) highlighted how important it was for forecasts to be more accurate. The Forum thanked Chris Taylor and the team for the work that had been done to provide more local analysis.

The Forum queried how long-term planning regarding staffing would be affected by reductions in pupil intake. Chris Taylor explained that the forecast was that there would be a reduction in the number of primary-aged children and a rise in the number of secondary-aged children followed by a decline. The number of staff employed would be related to that which is why Chris Taylor had provided the information to schools. It was expected that each school would address this predicament differently.

Also arising from minute 133, Paul Clark advised that there had been no responses from the questionnaire which had been circulated to other local authorities to establish a benchmark for the test of reasonableness in relation to allocation of funding to new schools.

141. **Coronavirus Pandemic – Initial Financial Considerations**

The Forum considered a report which outlined the initial key financial considerations on schools arising from the Coronavirus pandemic.

Annex 1 of the report provided a summary of Covid-19 grant claims from schools. There was a large amount of expenditure not covered by the grant including loss of income and furloughed staff. Paul Clark has discussed with schools the different ways of completing claims. Claims were needed to be completed by 21st July 2020.

The Forum asked what the budgets were expected to look like by the end of the year and whether there were any forecasts relating to deficits. Paul Clark advised that it was too early to say but he shared the concerns of the Forum and had been in discussions with the Department for Education (DfE).

The Forum noted that this was likely to influence the work of the Forum over the course of the year.

Councillor Barnard advised that he appreciated the situation and that there was no clear end date. Councillor Barnard had spoken to the MP for Bracknell about this as well as making the point that there would be additional premises costs. Furthermore, the lost income couldn't be clawed back which was expected to have a significant impact. Councillor Barnard believed the DfE was trying to help schools by helping with home to school transport; however, this had no effect on school budgets.

Paul Clark highlighted that the Coronavirus pandemic has had a significant impact on the work of the Forum on its plan to review provisions around support services. The expectation was for £1.2m of savings in 2020-21 but it was unclear if any savings would be made. There was a concern that there could be a higher deficit than forecast.

The Forum noted that school budgets were precarious and expressed frustration that schools were kept in a loop going back and forth between BFC and the DfE. The Forum did not feel that it was right to expect the schools just to soak up the losses.

The Forum thanked Paul Clark for his work in preparing the report and for the support he was providing to the schools.

142. Improving Leadership and Governance over Special Educational Needs Support and the High Needs Funding Block

The Forum considered a report which sought to update on the proposal to deliver the Intervention Hub and present the outcomes recorded for the Hubs held during the Autumn 2019 and Spring 2020 terms.

Kashif Nawaz explained that the need for a platform to gain access to short term emergency high needs funding, particularly to reduce risk of permanent exclusions, remained across the year. Concerns have been raised by primary schools about a lack of viable options to refer young people to specialist support services.

There was a total of 47 referrals received for the Intervention Hub over the period but not all referrals were presented at Hub. The reasons why some referrals were not presented at Hub were set out in paragraphs 5.3.1 and 5.3.2 of the report.

In terms of impact, paragraph 5.3.9 of the report showed that there was a significant reduction in the risk of exclusions for young people referred. Most of the initial outcomes received were shared during the Spring Term. However, follow-up analysis has not been possible due to the Coronavirus pandemic.

There were three referrals made where the school said that there was no clear impact from the Intervention Hub. BFC has continued to work with those schools through different forums to better understand the context around the young people concerned.

Regarding the financial analysis, Kashif Nawaz highlighted the lack of science behind some of the allocations made within the High Needs Block (HNB). Paragraph 5.3.6 of

the report provided further evidence of the true cost of those interventions. These costs would be fed into the proposals for the HNB which would be reported to the Forum later in the Autumn Term.

Action: Kashif Nawaz

Kashif Nawaz highlighted that BFC would be consulting with schools and partners on the establishment of a formal Intervention Fund to support schools to more rapidly access resources, training and specialist support for children and young people who do not have an Education, Health and Care Plan (EHCP). It was expected that this would improve the speed of response and lower the incidence of EHCPs being necessary to meet needs.

RESOLVED to NOTE:

1. the findings of the project and the outcomes recorded for the pupils supported through the Intervention Hub; and
2. the proposal for going forward (paragraph 5.4 of the report).

143. 2019-20 Provisional Outturn on the Schools Budget and Initial View on the 2021-22 Budget

The Forum considered a report which sought to inform of the provisional outturn on the 2019-20 Schools Budget, including the allocation of balances and the use of Earmarked Reservice. Those funds were ring-fenced for the support of schools and pupils.

Paul Clark advised that this was an annual paper which was building on information previously reported to the Forum through updates on budget monitoring and budget construction. There were significant financial difficulties last year which included an overspend on the HNB. Whilst the government provided additional funding to all Local Authorities (LAs), this was insufficient to cover the increased pressures. There were some underspends on the budget but there was still a net £2.446m over spend for which there were insufficient funds in the overall balances to fully finance, and there was now a deficit for the first time at £0.141m. This would need to be addressed over the next three to four years.

Regarding the 2021-22 budget, Paul Clark explained that there would usually have been an update from the DfE, but this has not happened yet. Therefore, the most recent update was the September 2019 announcement of the three-year funding settlement. This was expected to remain in place and represented a £2.6bn increase for 2020-21. The next two years would be similar increases but slightly reduced. Paul Clark advised that in normal times we would be cautiously optimistic, but additional risks were in place around the funding of the Coronavirus pandemic.

Paul Clark highlighted that the Ascot Heath Primary School amalgamation had coincided with a large reduction in pupil numbers and cost reductions occurring at a slower rate than expected. The LA was seeking to request additional financial support from the DfE. There would be a one-year lag in receiving that support but there would have been no overall financial impact on the school budget over those two years.

The Forum queried whether, unlike the increase in primary per pupil funding, as secondary minimum funding was not being changed, that would mean some schools would not receive an increase in funding. Paul Clark replied that it was dependant on how much money overall was going into secondary education. However, all that was known was that secondary minimum per pupil funding rates were staying the same,

so it is possible that some schools would not experience an increase, but the basis on which funding would be filtered into the schools was not known.

The Chair noted that the high needs review was on hold but there were still issues to be addressed. The Chair asked whether there was a plan to get back on track. Kashif Nawaz replied that it would be the collective effort of the Forum and partners. It has not remained stagnant and there has been parallel planning. There has been a willingness of all partners to put in more resources proactively to stop needs emerging and there was a range of expertise available. Health colleagues including Occupational Therapists, Speech and Language Therapists and Physiotherapists had been proactive in reviewing their offer. BFC was the lead commissioner for the Integrated Therapies contract with Berkshire Health and there was an urgent need to review how that service was commissioned. This came under the Commissioning Plan which would be reported to the Forum in the Autumn Term.

Action: Kashif Nawaz

The Chair asked whether the Sub Group would be restarted in the Autumn. Kashif Nawaz replied that it was planned to reconvene in September. The Forum asked for the dates to be provided as soon as possible. Kashif Nawaz advised that the dates would be finalised by the end of July.

Action: Kashif Nawaz

RESOLVED

1. to NOTE:
 - i. that the outturn expenditure for 2019-20, subject to audit, shows net spend of £3.404m which represents an overspending of £2.529m before allocation of reserves and balances (paragraph 6.6 of the report);
 - ii. that after transfers to and from earmarked reserves, the Schools Budget over spent by £2.446m (paragraph 6.7 of the report);
 - iii. the main reasons for budget variances (paragraph 6.8 of the report);
 - iv. as at 31 March 2020, the aggregate surplus on balances and Earmarked Reserves within the Schools Budget amounts to £2.865m which reduces to £1.824m when school balances are excluded (paragraph 6.9 of the report); and
 - v. the £0.141m deficit balance held in the Schools Budget General Reserve (paragraph 6.13 of the report); and
2. to AGREE:
 - i. the proposed transfers to and from Earmarked Reserves (paragraph 6.12 of the report); and
 - ii. to support a request to the Department for Education for a further year of fixed lump sum transitional funding for the recently amalgamated Ascot Heath Primary School (paragraph 6.21 of the report).

144. 2019-20 Balances held by Maintained Schools

The Forum considered a report which provided an update on the level of balances held by maintained schools as at 31 March 2020 and how those compared to the previous financial year. The report also considered whether any significant surplus balances needed to be subject to claw-back and reinvested within the overall Schools Budget.

Paul Clark advised that there was a significant reduction in aggregate school balances in 2019-20 which now stood at an average surplus of 1.9% of annual income compare to the target of 3%. Annex C of the report set out the medium-term

change in final budget positions from 2017-18 onwards. This showed a difference between primary and secondary. There had been both a significant increase in deficit balances and a reduction in surplus balances for primary schools. For secondary schools, there was an improvement in terms of the deficit being reduced over three years, but it had still not moved into a surplus.

Within the overall total a small number of schools held significant surplus balances. The Forum had agreed that, where significant balances were not being held for a valid purpose, the claw-back scheme would be applied. There was a responsibility to challenge schools with significant surpluses as to why more was not being spent on the educational needs of pupils. However, a range of valid purposes have been agreed that permit school to retain significant surplus balances above the threshold (5% for secondary and 8% for primary) as long as they were not exceeding 10% for secondary and 16% for primary. Most schools holding significant balances were doing so to maintain staffing levels in the short term in anticipation of financial challenges next year.

RESOLVED

1. to NOTE the key performance information on school balances, as set out in paragraph 6.6 of the report, and in particular that:
 - i. aggregate surplus balances have decreased by £0.629m to £1.099m;
 - ii. the value of surplus balances has reduced by £0.655m to £2.202m;
 - iii. the value of deficit balances has decreased by £0.026m to £1.103m and needs to be carefully monitored;
 - iv. significant surplus school balances have decreased by £0.450m to £0.250m (64%);
 - v. at 1.9%, average balances are considered to be below the minimum level required for working balances to safely cover unforeseen circumstances; and
 - vi. the three-year average change shows net balances in:
 - a. primary schools deteriorated by £0.898m to £1.049m (46%);
 - b. secondary schools improved by £0.238m to £0.296m deficit (45%); and
 - c. specialist providers significantly increased in 2018-19 as both provisions filled up and remained fairly static in 2019-20; and
2. to AGREE that the entire significant surplus balances held by schools has been assigned for relevant purposes as set out in the approved scheme and should not be subject to claw back (paragraph 6.15 of the report).

145. 2019-20 Funding Allocations to Mainstream Schools from Budgets Centrally Managed by the Council

The Forum considered a report that 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 BFC. It also presented the opportunity to amend existing funding policies.

The Forum had no comments or questions and made no suggestions for changes.

RESOLVED

1. to NOTE the following funding allocations to schools, made in accordance with approved policies:
 - i. £0.067m for significant in-year increases in pupils (paragraph 6.9 of the report);
 - ii. £0.101m for schools required to meet the Key Stage 1 Class Size regulations (paragraph 6.13 of the report);
 - iii. £0.565m for new and expanding schools (paragraph 6.16 of the report);

- iv. £0.030m for schools with a disproportionate number of SEN pupils (paragraph 6.22 of the report);
 - v. £0.198m for schools in financial difficulty (paragraph 6.28 of the report); and
 - vi. no allocations were made from the general schools contingency (paragraph 6.30 of the report); and
2. to AGREE that no changes are made to the current funding policies (paragraph 6.32 of the report).

146. **Arrangements for Additional Financial Support to Schools**

The Forum considered a report which sought agreement from the Forum in respect of proposals for additional financial support to schools. In particular, approval was sought for new or amended applications for licensed deficit arrangements. The report also updated on progress of previously agreed financial support arrangements.

Paul Clark explained that a deficit could be provided where it would have been unreasonable to expect the school to make immediate savings compromising their school improvement targets.

Paul Clark highlighted that the same schools were requiring support. This shows that there were no new schools needing support which was felt to be positive in the current climate.

Paul Clark advised that BFC would usually have undertaken more work with the schools in financial difficulty, but this had been made difficult due to the Coronavirus pandemic. Schools had been as accommodating as they could be but there had not been as much progress as would ordinarily have been expected. This meant that further work was needed over the course of the year to set out repayment schedules with Ascot Heath, The Pines, Winkfield St Mary's and Easthampstead Park.

There had been a general improvement in the overall level of required deficits, but it was recommended that some amendments be made to Sandhurst Secondary School and Harmans Water's licensed deficit agreements.

Deficits stood at 32% of aggregate balances which was approaching the 40% cap currently prescribed in the scheme. The drawdown of balances to finance the 2019-20 over spending had resulted in the figure being much closer to the limit than would otherwise be the case. This would need to be looked at but was not an immediate issue as the focus needed to be on the four schools needing repayment schedules.

RESOLVED to AGREE:

1. subject to the school governors confirming the financing schedule and compliance with the associated terms and conditions of the deficit scheme, that the following existing licensed deficits be amended as follows:
 - i. Sandhurst Secondary School's licensed deficit agreement be amended to a maximum deficit of £0.260m, for full repayment by 31 March 2023 (paragraph 6.16 of the report); and
 - ii. Harmans Water Primary Schools receives a licensed deficit of up to £0.115m for full repayment by 31 March 2023 (paragraph 6.17 of the report); and
2. that the council continues to work on repayment schedules with the following schools, and that subject to the school governors confirming the financing schedule and compliance with the associated terms and conditions of the deficit scheme, that maximum deficits are as follows:
 - i. Ascot Heath Primary School receives a licensed deficit of up to £0.220m;
 - ii. The Pines Primary School receives a licensed deficit of up to £0.150m;
 - iii. Winkfield St Mary's receives a licensed deficit of up to £0.020m; and

iv. Easthampstead Park receives a licensed deficit of up to £0.300m.

147. **Date of Next Meeting**

The next meeting of the Forum was due to be held on 17 September 2020 commencing at 4:30pm. Paul Clark advised that there may not have been any useful information by that date. The need for a meeting in September would be considered nearer the time and communicated to the Forum.

Action: Paul Clark / Martin Gocke

CHAIRMAN