

Schools Forum

PLEASE NOTE TIME OF MEETING

Wednesday, 10th July, 2024
at 4.00 pm

Virtual Meeting

This meeting is open to the public at Conference Room 3, Civic Centre

LEAD OFFICER
Clodagh Freeston

Email: SchoolsForum.Admin@southampton.gov.uk

CONTACT
Melanie Morley

Tel: 023 8083 2198
Email: melanie.morley@southampton.gov.uk

AGENDA

1 APOLOGIES AND CHANGES IN MEMBERSHIP (IF ANY)

2 MINUTES OF PREVIOUS MEETING

Minutes of the meeting held on 20th March 2024, attached.

3 DECLARATIONS OF INTEREST

In accordance with the Localism Act 2011, and the Council's Code of Conduct, Members to disclose any personal or pecuniary interests in any matter included on the agenda for this meeting.

NOTE: Members are reminded that, where applicable, they must complete the appropriate form recording details of any such interests and hand it to the Democratic Support Officer.

4 STANDING ITEM: LA UPDATE ON DFE/ESFA FUNDING ANNOUNCEMENTS

To consider an update on any DFE/ESFA funding announcements.

5 SURPLUS FUNDING

To receive a further update on the options for allocating surplus funds.

6 RELEASE OF FUNDS FROM THE CENTRAL SCHOOL SERVICES BLOCK

To receive a further update on the progress with the restructure of the Education Service and thereafter to consider proposals for the release of the second tranche of the ring-fenced £220,000 transferred from the Schools Block to the Central School Services Block.

7 HIGH NEEDS BLOCK

To receive a further update regarding the High Needs Block.

8 ANY OTHER BUSINESS AND CLOSING REMARKS AND DATE OF THE NEXT MEETING

To consider any additional items and note the date of forthcoming meetings

Day and Date: Wednesday 25th September 2024

Time: 3:45pm for 4:00pm start

Venue: Virtual

Tuesday, 2 July 2024

Service Lead, Education and Early Help,

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Agenda Item 2

SCHOOLS FORUM

MINUTES OF THE MEETING HELD ON 20 March 2024

<u>In attendance</u>	
<u>Chair and Vice Chair</u>	
John Draper	Headteacher – Swaythling Primary
Harry Kutty	Headteacher – Cantell
<u>Primary Schools</u>	
Amanda Talbot-Jones	Headteacher – St Denys Primary
Mike Adams	Headteacher – Bitterne Manor Primary School
Peter Howard	Headteacher – Fairisle Junior
PK Macbride	Primary Governor – Bannister
<u>Secondary Schools</u>	
Jim Henderson	Headteacher Woodlands Community College
Roger Peplow	Governor St Georges
<u>Academy</u>	
<u>Special Schools</u>	
Debbie McKenzie	Headteacher – Compass School
<u>Nursery</u>	
<u>Non-Schools</u>	
Rob Sanders	Diocese of Winchester
<u>Observers</u>	
<u>SCC officers</u>	
Darrin Hunter	Early Years Manager
Derek Wiles	Head of Education and Learning– Education
Steve Wade	Finance Business Partner

Apologies

Clodagh Freeston	Service Manager - Education Strategy, Planning and Improvement
Councillor A Winning	
Matthew McLoughlin-Parker	Headteacher – Vermont School
Sean Preston	Hamwic Trust
Tammy Marks	Service Manager - Special Educational Needs and Disability

22. **MINUTES OF PREVIOUS MEETING**

RESOLVED that the Minutes of the meeting held on 24th January 2024 be noted and approved as a correct record.

23. **STANDING ITEM: LA UPDATE ON DFE/ESFA FUNDING ANNOUNCEMENTS**

The Forum considered the briefing paper of the Finance Business Partner, giving an update on DFE/ESFA funding announcements.

The Forum noted that the Department for Education had approved the APT submissions and that schools had received notification of their budget shares as agreed by the Forum at the previous meeting.

The Teachers' Pay Award Grant (TPAG) would cover the whole financial year and, as schools had already received 7 months' worth from September 2023, it was confirmed that schools would therefore receive 12/7s. In addition, academies would receive an additional allocation because they followed a different funding cycle.

24. **GROWTH FUNDING**

Since the previous meeting of the Forum it had come to light that there were more options available for allocating funding to alternative blocks rather than just for growth funding. The Council would advise Heads of the options and seek their views before the matter was brought back to the Forum at a later meeting for further consideration.

The Forum noted the experience of some schools within the City of an increase in the number of new pupils from overseas after funding had been allocated and that many of these pupils required focused additional support due to language barriers. It was advised that the Council would conduct an investigation into the scale of the problem caused by such turbulence and consider reviewing the Growth Policy and report to the Forum at a later meeting.

25. **HIGH NEEDS BLOCK**

As no officer was available to provide a report to the Forum at the time that this item on the agenda was discussed it was requested that a written update be provided.

26. **RELEASE OF FUNDS FROM THE CENTRAL SCHOOL SERVICES BLOCK**

As the Council was still in the process of consultation about the proposed restructure no request was made to the Forum to release the first tranche of funds to the Central Schools Services Block and the Forum noted that the matter would be considered again at the next meeting.

27. **FINANCING SCHOOLS**

The Forum noted that schools had been requested to refrain from holding large surpluses of funds which could otherwise be utilised to improve the experience of pupils, unless such surpluses were held in readiness for planned larger projects.

The Forum noted that schools were strongly discouraged from having deficits unless there were unusual circumstances and a recovery plan had been agreed with the Council.

The Council was under severe financial pressure and reminders would be sent to each school as they were moving into year end.

28. **ANY OTHER BUSINESS AND CLOSING REMARKS AND DATE OF THE NEXT MEETING**

The next meeting will be held on Wednesday 10th July 2024 at 4pm.

BRIEFING PAPER

SUBJECT: 2023/24 OUTTURN DSG & SCHOOLS
DATE: 10 July 2024
RECIPIENT: School's Forum

SUMMARY:

1. 2023/24 Schools Balances
2. 2023/24 outturn DSG Update
3. 2024/25 Unallocated balance

BACKGROUND and BRIEFING DETAILS:

2023/24 OUTTURN

1. The overall balance of the 42 maintained schools has reduced by £0.41M. The following table summarises the movement in school balances of the 42 maintained schools at the end of March 2023

Description of Movement	Number of schools	Sum of Movement (£M)
Increased Deficit	5	1.226
reduced deficit	5	-0.476
Used surplus	15	1.390
increased surplus	11	-1.533
returned to surplus	2	-0.595
gone into deficit	4	0.397
	42	0.409

2. Fourteen schools have carried forward a deficit into the new financial year. The council had received deficit recovery plans from seven schools but there are seven schools with outstanding deficit recovery plans.
3. Primary schools, special schools and pupil referral units may carry forward up to 10% of their budget share and secondary schools may carry forward up to 8%. Anything above this is an excess surplus balance. There are four schools carrying an excess surplus totalling £0.597M; three schools have submitted plans to utilise their excess surplus.

BRIEFING PAPER

4. The 3 PFI schools, being secondary schools, are presently permitted to carry forward up to 8%. Due to the complex nature of the PFI contract it is recommended that PFI schools are permitted to carry forward 10% in order to meet unforeseen liabilities. If the Schools Forum is minded to approve then the Scheme for financing schools will be amended accordingly and presented to the forum for approval.
5. The Dedicated Schools Grant (DSG) is a ring-fenced grant and balances are carried forward each year. There was a £2.995M in-year surplus for 2023/24, reducing the cumulative net deficit to £7.105M. The table below provides an outline of the balances for 2023/24

Block	Balance £M
Dedicated Schools Grant - Central Services	0.154
Dedicated Schools Grant - Early Years	0.567
Dedicated Schools Grant - High Needs	(3.051)
Dedicated Schools Grant - Schools	(0.665)
Total	(2.995)

6. The deficit in the Central Services block is due to the transfer of the teachers and pension funding to centrally employed teachers in the Music Service, pressures in the Schools Admissions team and Schools Licences.
7. The deficit in the Early Years block is mostly due to the funding at the Startpoint Scholing nursery being below expectation. The service is currently reviewing options to resolve this issue. There was also a prior year funding adjustment relating to 2022/23 which had an adverse impact.
8. Pressures on the High Needs services is a nationally recognised issue with significant pressures reported in most local authorities. The primary strategy for managing the increase in High Needs is 3-fold:
 - a. Reduce the number of children requiring an EHCP through targeted early intervention support, through enhanced training and support to schools and parents.
 - b. Reduce the number of children requiring a place at a special school, by improving the consistency of offer and inclusive practice at mainstream schools and by developing SEND units and resourced provisions within mainstream schools.
 - c. Maintain a reduction in the reliance of placements in high cost out of city special independent school places, by enhancing the offer and facilities of local mainstream schools, and on the development of highly specialist units and resourced provisions

BRIEFING PAPER

9. The variances in the High Needs Block are outlined below:

Service	Variance £M
Language Intervention Team	0.005
Early Years Teachers/SENCO	(0.029)
Portage.	0.017
Pupils with EHCP's	(0.101)
Early Years Sen Funding	(0.122)
OLA Special School Placements	(0.022)
Contingency	(2.007)
Specialist Teacher Advisors	0.133
MARP - Education Placements	(0.808)
Special School Funding	(0.275)
Outreach Funding	0.092
Pupil Referral Unit	0.066
Total	(3.051)

10. The overall reduction is due to the increase in funding to the High Needs Block as well as the strategy for reducing pressures in this area. The largest favourable variance relates to reduced expenditure on the out of city placements and the unused contingency amount.
11. The variance on the Schools' block relates in part to the funding adjustment for excluded pupils but largely due to the unallocated balance on the schools in deficit grant.
12. The unallocated balance of £0.375M discussed briefly at the previous meeting.
13. The operational guidance allows the transfer of resources to other blocks to support initiatives or demands in the central school services block, the high needs block, or the early years block.
14. In-year reallocations to schools cannot be made as these do not comply with the annually made school finance regulations.
15. There is an in year pressure relating to the Schools Licences of £0.060M. There's potentially a pressure of £0.070M relating to Schools Admissions but this needs to be further verified.
16. It is recommended that £0.245M is allocated to Headteacher Conference Groups (Special Heads, Primary Heads, Secondary Heads) with a view to collaborating on city wide initiatives to address some key priorities for next academic year – literacy, numeracy and absence reduction. Further development work would be undertaken with Chairs of Heads groups who can subsequently report back to Schools Forum.

BRIEFING PAPER

17. All options would require a transfer to the central school services block.

Decision – Does the Schools Forum approve the following allocations

£0.060M Schools Licences

£0.070M Schools Admissions

£0.245M Headteacher Conference Groups

Further Information Available From:	Name:	Steve Wade
	E-mail:	Steve.Wade@Southampton.gov.uk

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SUBJECT: 2024-25 High Needs Block Funding and Cluster Model Progress
DATE: 10th July 2024
RECIPIENT: Schools' Forum

SUMMARY:

The Schools Forum is asked to note:

1. High Needs Block budget pressures
2. Progress on the mainstream cluster funding programme

High Needs Block update

The High Needs Block deficit reduced by £2.996M in financial year 23/24. The net DSG deficit at the start of this financial year is £7.105M the statutory override means this will have to be picked up by the General Fund at the end of Mar 2026.

The statutory override may be extended by the new Government given that current anecdotal estimations are that a significant number of Local Authorities would struggle financially if their general fund had to pick up the accumulated deficit.

The 2024/25 High Needs Block budget stands at £38,788,330.

We are currently estimating a contribution of c£1m to the deficit from the budget this financial year. There may be further demands on those funds however including the provision of additional funds into the mainstream cluster funding project enabling schools to deliver targeted early interventions prior to the need for EHCP assessments, thereby improving outcomes for children at an earlier stage. The current funding allocation for the cluster programme is too low as this has been impacted by the higher than anticipated numbers of EHCPs in January.

The increase in EHCPs in January 2024 to 2506 from the January 2023 number of 2184 represents an increase of 13%. Nationally EHCP numbers have risen by 11%. Going forward this will be a high risk to the future performance of the High Needs Block if initiatives to mitigate this, such as the cluster funding programme, are unsuccessful. Whilst we are investing in additional resourced units in mainstream schools we will still potentially need further special school places in the future.

The Minimum Funding Guarantee for special schools this year is 0-0.5%. This has been the cause of some concern to our special schools, many of whom are also impacted by the teacher pay rises not applying to teaching assistants supporting children with SEND. As a result we are in the process of negotiating an increase but with the caveat that the banding system will be reviewed from September.

The current banding system is not fit for purpose and does not reflect neighbouring Local Authorities' approaches. Southampton had commenced the process of banding review in collaboration with special schools but this was suspended when the SENDAP Improvement Plan was published which explained that a national funding

formula would be developed. Given that there is no obvious progress with the national formula we are going ahead with completing that piece of work in the autumn and spring terms 24/25.

For reference Hampshire commenced their new banding from April this year.

The Dingley's Specialist Early Years provision comes to the end of the contract period at the end of this financial year. The provision is working well to support our younger SEND children and their families and it is likely this will remain in the budget for future years.

Mainstream Cluster Funding programme

In March 2024 we began the wider coproduction period for the proposed Special Education Needs and Disability (SEND) Mainstream Funding Cluster Model moving Higher Needs SEND funding to a Cluster Model for Mainstream School settings within the area.

This is a model of Higher Needs SEND funding that has been adopted by several local authorities.

Following recent contribution to the coproduction period we are proposing a new timeline. This would include an extended coproduction period, to allow for all stakeholders to continue to contribute towards this process. It would also include a term where the Cluster model is trialled. During this period the Cluster model will run but without funding attached.

We feel this trial period would have the following benefits: -

- This would allow for professionals who would be part of the process to receive training on the Cluster Model from the Locality Leads and other professionals supporting the meeting.
- It would allow colleagues to access some of the benefits of the approach, including the peer solution focused discussions and input from the Locality Leads and supportive professionals on difficult cases.
- It would allow for colleagues to trial the referral system. This could also lead to further training on this approach or refinement for process. This would also support the Cluster to consider the criteria of cases to be discussed
- It would allow colleagues in attendance of Cluster meetings to become familiar with the logistics of the meetings, such as accessing the venue, timings etc.
- It will start to develop the relationships with the colleagues in the Cluster meetings.
- Further coproduction opportunities

The trial term would support with understanding whether stakeholders in the city would like to proceed with this proposed approach.

In addition the team have responded to Heads' concerns around SENCo capacity and are undertaking a review of this across the city to inform the planning.

There are still live conversations about the formation of the clusters themselves and the pros and cons of using existing cluster groupings or moving to a more geographical model.

Further Information Available From:	Name:	Juno Hollyhock Interim Head of SEND
	E-mail:	Juno.Hollyhock@southampton.gov.uk

Central School Services Block – Statutory and Regulatory Duties Responsibilities held for all schools

Statutory and regulatory duties:

- Director of children's services and personal staff for director (Sch 2, 15a)
- Planning for the education service as a whole (Sch 2, 15b)
- Revenue budget preparation, preparation of information on income and expenditure relating to education, and external audit relating to education (Sch 2, 22)
- Authorisation and monitoring of expenditure not met from schools' budget shares (Sch 2, 15c)
- Formulation and review of local authority schools funding formula (Sch 2, 15d)
- Internal audit and other tasks related to the local authority's chief finance officer's responsibilities under Section 151 of LGA 1972 except duties specifically related to maintained schools (Sch 2, 15e)
- Consultation costs relating to non-staffing issues (Sch 2, 19)
- Plans involving collaboration with other LA services or public or voluntary bodies (Sch 2, 15f)
- Standing Advisory Committees for Religious Education (SACREs) (Sch 2, 17)
- Provision of information to or at the request of the Crown other than relating specifically to maintained schools (Sch 2, 21)

Education welfare

- Functions in relation to the exclusion of pupils from schools, excluding any provision of education to excluded pupils (Sch 2, 20)
- School attendance (Sch 2, 16)
- Responsibilities regarding the employment of children (Sch 2, 18)

Asset management

- Management of the LA's capital programme including preparation and review of an asset management plan, and negotiation and management of private finance transactions (Sch 2, 14a)
- General landlord duties for all buildings owned by the local authority, including those leased to academies (Sch 2, 14b)

Other ongoing duties

- Licenses negotiated centrally by the Secretary of State for all publicly funded schools (Sch 2, 8); this does not require school's forum approval
- Admissions (Sch 2, 9)
- Places in independent schools for non-SEN pupils (Sch 2, 10)
- Remission of boarding fees at maintained schools and academies (Sch 2, 11)
- Servicing of school's forums (Sch 2, 12)
- Back-pay for equal pay claims (Sch 2, 13)
- Writing to parents of year 9 pupils about schools with an atypical age of admission, such as UTCs and studio schools, within a reasonable travelling distance (Sch 2, 23)

Historic commitments

- Capital expenditure funded from revenue (Sch 2, 1)
- Prudential borrowing costs (Sch 2, 2(a))
- Termination of employment costs (Sch 2, 2(b))
- Contribution to combined budgets (Sch 2, 2(c))

Responsibilities held for maintained schools only

Statutory and regulatory duties

- Functions of LA related to best value and provision of advice to governing bodies in procuring goods and services (Sch 2, 58)
- Budgeting and accounting functions relating to maintained schools (Sch 2, 74)
- Authorisation and monitoring of expenditure in respect of schools which do not have delegated budgets, and related financial administration (Sch 2, 59)

- Monitoring of compliance with requirements in relation to the scheme for financing schools and the provision of community facilities by governing bodies (Sch 2, 60)
- Internal audit and other tasks related to the local authority's chief finance officer's responsibilities under Section 151 of LGA 1972 for maintained schools (Sch 2, 61)
- Functions made under Section 44 of the 2002 Act (Consistent Financial Reporting) (Sch 2, 62)
- Investigations of employees or potential employees, with or without remuneration to work at or for schools under the direct management of the headteacher or governing body (Sch 2, 63)
- Functions related to local government pensions and administration of teachers' pensions in relation to staff working at maintained schools under the direct management of the headteacher or governing body (Sch 2, 64)
- Retrospective membership of pension schemes where it would not be appropriate to expect a school to meet the cost (Sch 2, 77)
- HR duties, including: advice to schools on the management of staff, pay alterations, conditions of service and composition or organisation of staff (Sch 2, 65); determination of conditions of service for non-teaching staff (Sch 2, 66); appointment or dismissal of employee functions (Sch 2, 66)
- Consultation costs relating to staffing (Sch 2, 68)
- Compliance with duties under Health and Safety at Work Act (Sch 2, 69)
- Provision of information to or at the request of the Crown relating to schools (Sch 2, 70)
- School companies (Sch 2, 71)
- Functions under the Equality Act 2010 (Sch 2, 72)
- Establish and maintaining computer systems, including data storage (Sch 2, 73)
- Appointment of governors and payment of governor expenses (Sch 2, 74)

Education welfare

- Inspection of attendance registers (Sch 2, 80)

Asset management

- General landlord duties for all maintained schools (Sch 2, 78a & b (section 542(2)) Education Act 1996; School Premises Regulations 2012) to ensure that school buildings have:
 - appropriate facilities for pupils and staff (including medical and accommodation)
 - the ability to sustain appropriate loads
 - reasonable weather resistance
 - safe escape routes
 - appropriate acoustic levels
 - lighting, heating and ventilation which meets the required standards
 - adequate water supplies and drainage
 - playing fields of the appropriate standards

- General health and safety duty as an employer for employees and others who may be affected (Health and Safety at Work etc. Act 1974)
- Management of the risk from asbestos in community school buildings (Control of Asbestos Regulations 2012)

Central support services

- Clothing grants (Sch 2, 54)
- Provision of tuition in music, or on other music-related activities (Sch 2, 55)
- Visual, creative and performing arts (Sch 2, 56)
- Outdoor education centres (but not centres mainly for the provision of organised games, swimming or athletics) (Sch 2, 57)

Premature retirement and redundancy

- Dismissal or premature retirement when costs cannot be charged to maintained schools (Sch 2, 79)

Monitoring national curriculum assessment

- Monitoring of National Curriculum assessments (Sch 2, 76)