

NORTHUMBERLAND COUNTY COUNCIL

SCHOOLS' FORUM

At a virtual meeting of the Schools' Forum on Wednesday, 24 February 2021 at 9:30 am.

PRESENT

C Pearson (in the Chair)
Trustee, Three Rivers Learning Trust

Headteacher Representatives

M Deane-Hall, Wooler First	N Rodgers, James Calvert Spence
A Mead, Cramlington Hillcrest	F Hartland, Kielder Primary and
Ben Ryder, Berwick Middle	Nursery
Neil Rodgers, James Calvert Spence	

Governor Representatives

K Faulkner, Collingwood School and Media Arts College	B Watson, St Robert's RC First
S Heminsley, Newbrough CE Primary	I Walker, Duchess' High
	G Wilkins, St Wilfrid's RC Primary

Academies Representatives

S Wild, NCEA Castle
Alan Hardie NCEA Trust
Darren Warburton, on behalf of A Thelwell Bede Academy

Early Years' Representative - Vacant post

Trades Union Representative - R E Woolhouse

16 - 19 Provider of Education Representative - Not present

Northumberland County Council Elected Member - Councillor G Renner-Thompson

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OFFICERS IN ATTENDANCE

S Aviston	Head of School Organisation and Resources
S Barron	Head of SEND Strategies
A Kingham	Interim Director of Education and Skills
K Norris	Democratic Services Officer
B Parvin	Education and Skills Business Manager
C Ponting	Senior Manager, Schools HR
A Russell	Principal Accountant
D Street	Deputy Director of Education

82. MEMBERSHIP AND MEMBERSHIP UPDATE

82.1 Membership was being reviewed and a report would be brought to July's meeting.

83. APOLOGIES FOR ABSENCE

Apologies for absence were received from G Atkins, A Thelwell and D Wylie. It was noted that D Warburton was attending in place of A Thelwell.

84. MINUTES AND MATTERS ARISING

RESOLVED that the minutes of the meeting of the Schools' Forum held on Wednesday, 13 January 2021, as circulated, be confirmed as a true record and signed by the Chair.

Matters Arising:

- 84.1 Minute 77.1: There was no further update available in respect of the retrieval of public money from Bright Tribe.
- 84.2 Minute 78.2: The Chair thanked members for comments they had put forward and passed on thanks conveyed from the f40 group. He also commended officers for their assistance in collating responses.
- 84.3 Minute 79.7: The school organisation plan was due to go to Family and Children's Overview and Scrutiny Committee the following week and a report would be brought to Schools' Forum in July.
- 84.4 Minute 79:32: Mr D Street, Deputy Director of Education, provided some verbal feedback on how COVID had impacted on the Early Years (EY) Sector.
- Support for the EY Sector had, in general, been through the school support mechanism.
 - 108 schools had nursery aged children on their roll and in addition there were 274 private providers. The support network for them had been directed through the EY team and each of the 274 providers had been provided with a direct buddy specifically for COVID issues.

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- There had been distributions of PPE to each setting with the possibility of more as needed.
- A significant amount of work had been done and support provided for the EY sector to open in a COVID safe manner and to keep environments safe. Handwashing, ventilation and more regular cleaning operations were in place but in this sector social distancing was not possible.
- In terms of additional support, through the summer and autumn terms of 2020 funding was based on funding from previous years regardless of whether the facility was open or closed throughout the period. There were also opportunities to apply for additional funding should the setting be different to previous years. This was in line with National and Council policy.
- Spring term funding would return to a census basis whereby funding would be provided for children attending the school or setting. This was related to the expectation that from 1 January 2021 EY Sectors should have all children in attendance.
- A business paying business rates could apply for a £10,000 grant but not all EY settings paid business rates and most childminders did not. Following that, two rounds of grants were available for PVI's of £5,000, the criteria for which had been relatively straight forward. Grants of £500 had been available to childminders in order to reflect differences in business sizes.
- Community testing centres had been set up across the county but availability remained a challenge, however, following Monday's announcement, home testing kits would soon be provided for the PVI sector.
- The Council had a statutory duty to ensure sufficiency of childcare (ages 0 – 8). Currently demands were being met with some occasional additional support required.
- There had been lower numbers of children in funded education but this term there was 90% of the usual uptake.
- The take up for two-year-olds was considerably less and this was of concern as it was mainly for disadvantaged families. In terms of private provision, it was assumed these numbers were also down but could have been made up by changing the model in order to attract other income streams.
- There had been closures and retirements but some businesses had been struggling previously and COVID had exacerbated this. There had also been some new businesses starting up.
- The concern going forward was around provision for two-year-olds and if this would return when demand increased. The situation would be monitored.
- Funding in the EY sector was always tight but it had the benefit of a flexible workforce.
- Further information would be presented in Agenda item 6.

85. COMMUNICATION

- 85.1 Mr B Parvin, Education and Skills Business Manager, referred to information circulated by the DfE in relation to the review of the National Funding Formula

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(NFF) for allocations of High Needs funding. A 41-page consultation document was included (a copy of which is attached to the signed Minutes as agenda item 5). Members were advised that the consultation had been launched on 10 February and would close on 24 March and if they had any comments to make in response, they should contact either Mr Parvin or a member of the High Needs Subcommittee for discussion at the next meeting of the High Needs Subcommittee on 10 March.

- 85.2 In response to a question as to why this consultation had come about, Mr Parvin said there were several possibilities including issues around deprivation regarding the review of IDACI which had now fed through to the formula; some coverage in terms of free school meals; significant pressures on High Needs, or the significant additional investment made in High Needs.
- 85.3 As to whether this was good news for Northumberland, Mr Parvin remained cautious stating there was still a reluctance from the DfE to reflect High Needs plans as an element within the formula. Hopefully there would be additional funding to reflect Northumberland's needs and this would be set out in the consultation response.
- 85.4 Mr Wilkins, Chair of the High Needs Subcommittee, urged all members of the Schools' Forum to complete the consultation document if possible and reiterated that any comments or concerns should be forwarded to Mr Parvin or himself so that they could be discussed at the High Needs Subcommittee on 10 March.

86. **SETTING THE DEDICATED SCHOOLS GRANT (DSG) 2021/22**

- 86.1 The purpose of the report was to inform Schools' Forum of the estimated overall DSG for 2021/22 as notified to Northumberland by the Education and Skills Funding Agency (ESFA) and the proposed allocation of funds within the four DSG Blocks. (A copy of the report is filed with the signed Minutes as agenda item 6.)
- 86.2 Due to Mr Street having to leave early for another engagement, the Chair advised members that Section 6, Early Years Block, as set out on page 5, would be discussed first.
- 86.3 Mr Street said, historically, Northumberland had been amongst the lowest funded authorities for Early Years (EY). The total hourly rates had always been at the national minimum and this continued. Northumberland had therefore started from a very low base and although rates had begun to rise they were still significantly behind other parts of the country who were looking at £6 and £7 per hour (3 and 4 year old rate) as opposed to Northumberland's rate of £4.44. As much as possible was passed directly to the providers with the authority retaining around 3.7 to 3.8%, well under the maximum permitted of 5% to enable the EY Team to provide additional support where needed.
- 86.4 Officers had looked at how to maximise the funding rates, a full breakdown of which was provided in the annexes at the end of the report. Initially an estimated figure

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was received but because the final allocation would be based on what was received in January this year, the figure may be less than the £17.5 million predicted.

- 86.5 The funding rates proposed for 2021 were set out in the Table on page 6 of the report. Although the total figure for the 3 and 4 year old rate was £4.44, it was proposed to pass on £4.24 to the providers; for 2 year olds the pass on rate was 100% and this had increased to £5.36; the Early Years Pupil Premium was fully passed on at 53p per hour and an additional 75p deprivation payment was included in the formula to make it a Pupil Premium Plus figure.
- 86.6 The proposal was to directly pass on the 6p uplift for the 3 and 4 year old rate and directly pass on the 8p uplift for the 2 year old rate. Everything else would remain much the same.
- 86.7 In response to a question about differences in funding throughout the country and if some Councils supplemented the budget, Mr Street said funding was from central government and was paid direct into the EY Block but some areas received a higher rate. There was a National Funding Formula which considered area cost adjustments and although Mr Street had queried the definition of area cost adjustments on several occasions, he had not received a satisfactory explanation.
- 86.8 In terms of potential problems next year regarding the 90% figure, Mr Woolhouse queried if Schools' Forum could do anything to help. In response Mr Street said discussions were currently taking place with the DfE regarding the financial allocation for next year and once the final position known, he would come back to the Forum about this. He acknowledged that it would be useful for Schools' Forum to highlight the disparity and difference in rates as this was a long-standing issue.
- 86.9 Mr Parvin then summarised key issues from the beginning of the report stating that, at this point, members were being asked to agree the overall individual elements of the DSG as far as possible noting the discussions around EY where the figures would be amended according to the January census information. The two-step approach towards the adoption of NFF figures had previously been highlighted, as set out at the bottom of page 1. Schools' Forum had long been an advocate of a smooth transition to NFF and hopefully this would help to achieve that.
- 86.10 As discussed at the last meeting there was a slight difference in the final funding figure resulting in £202.1 million for distribution compared to £201.8 million used for modelling. Careful consideration had gone into how that funding should be used and some minor amendments had been made in order to fully allocate funding and maximise beneficiaries.
- 86.11 The first area was in relation to the Free School Meals (FSM) factor which had been increased from £510 to £570 per pupil across both primary and secondary. This had also been part of a wider decision taken by the EFSA in relation to the distribution of Pupil Premium whereby October census figures would be used, and these would also be used for the subsequent funding formula. If FSM figures were stable that would not present an issue but because of the impact of COVID there

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had been a steady increase in FSM figures over the last 3 months and in respect of that it seemed appropriate to increase that formula factor. Further information was provided in the link on page 2 of the report.

- 86.12 The second area was a more general factor given that Northumberland was moving towards NFF. Members would be aware that capping and scaling had been used to maintain some of the formula factors previously and figures had originally been set at 4% for capping and 50% for scaling. In the overall funding package, the threshold had been increased to 4.65% for capping enabling schools to retain more funding before scaling applied.
- 86.13 Following comments from the Chair, Mr Parvin emphasised that the change regarding the FSM factor was a one-off change for this year because of the late change to the Pupil Premium factor. Any changes to FSM in the future or any decision to maintain an FSM value at levels above NFF would be subject to affordability.
- 86.14 Confirmation had been received that the EFSA had agreed the approach and submission of the formula for the values submitted and the formula factors were set out in Table 1 on page 4 of the report.
- 86.15 Reference was made to paragraph 4.3 of the report which stated that, although originally there had been no intention to allocate funding to the growth fund during the 2021/22 financial year, as catchment needs emerged discussions were taking place in two areas about pressures within year 5 in Morpeth and year 7 in Bedlington. There needed to be sufficient provision within schools for the catchment area and it had been necessary to set aside figures in relation to potential demand in that respect. Discussions were ongoing with the schools involved and it was hoped to make an early decision, however, the agreement of partner schools was needed. It was confirmed that any changes and allocated funding would be from September 2021.
- 86.16 The draft budget funding statement had been circulated to seek members' comments in relation to format. It was hoped to add a one-page covering letter to highlight some of the discussions held at Schools' Forum and some of the decisions taken when moving towards NFF in order to provide some context to schools. Once finalised it would be circulated to schools within the next few days.
- 86.17 In response to a question from Mr Deane-Hall, members were advised there had been a technical problem regarding the recording of sparsity figures but sparsity had been allocated and the final figures would reflect that.
- 86.18 In terms of the High Needs Block, the deficit had been consistently reduced over the last 3 years and reference was made to Appendix B which set out the proposed budget for 2021/22. Regarding funding, £41,902 million was the total gross allocation from which two deductions were immediately made - £2,152 million for placements in further education and for other providers supported directly by the EFSA and £1 million in respect of a net export of students. Following the transfer

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from the Schools Block to the High Needs Block this left £39.3 million to allocate, details of which were highlighted in blue and green.

- 86.19 Mr Parvin said it was important to point out that without the transfer from the Schools Block there would be a deficit of just over £1 million including the brought forward deficit which, when adjusted, reduced to just over £414,000. This was a significant challenge for the Council in working out how to close the gap and provide a balanced budget for 2022/23 on an ongoing basis. Importantly there was a much-reduced deficit of £45,000 at the March 2022 forecast position but again the contribution from the Schools Block was a major factor.
- 86.20 In response to a question Mrs A Kingham, Interim Director of Education and Skills, said it was too early to reflect on challenges for 2022/23. The Deputy Director of Education and herself were working with schools to consider priorities around the High Needs Block to ensure children got the best available package, hopefully within the county with some specialist post 16 provision from outside if needed. Work was being carried out with the SEND Team and Commissioning Team in this regard.
- 86.21 The Chair queried if the import/export adjustment was likely to reduce when the new free school opened. In response Mr Parvin said it was hoped that a reduction would be seen but it would take time. The opening of the new free school would provide alternative placement options next year but a child would not be moved out of their current educational placement to a new one without good reasons. Changes would take place over time so that more pupils were placed in borough in appropriate education and then a longer-term reduction would show in the import/export figure.
- 86.22 Members were advised that there was currently a SEND Strategy document out for consultation which was due to close on 18 March. Direction of travel around SEND was linked with the funding so if members wished to make any contributions to the consultation it could be found on the Council's website. The High Needs Subcommittee would be able to respond to this when it met on 10 March.
- 86.23 In terms of the Central Schools Services Block, following a challenge to the EFSA further funding had been secured for historic commitments in relation to Prudential Borrowing and Termination of Employment Costs and that had now been reflected in the figures. Implications of this would continue to be assessed, one of the pressures being around the long-term capital costs, the long-term impact of which would need to be managed.
- 86.24 Appendix A provided a final breakdown of the DSG allocation for 2021/22 including the De-delegation summary. Appendix B set out the High Needs budget and Appendix C showed the proposed use of the Central Services Block and how that was funded.
- 86.25 The Chair said this had been a huge task and thanked all those involved for bringing it to a conclusion.

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86.26 Members agreed the recommendations as set out in paragraph 2 of the report.

AGREED that Schools' Forum note the following information:

1. The proposal for the Schools Block formula values and the resulting 2021/22 School Budget Shares, in line with the Cabinet decision of 12 January 2021 including the delegation of the approval of the final formula values to the Executive Director of Adult Social Care & Children's Services and the Lead Member for Children's Services and Deputy Leader of the Council in line with the principles agreed at Schools' Forum on 18 November 2020.
2. The 2021/22 High Needs Block Budget including the ongoing pressures identified with High Needs.
3. The proposed values in relation to the 2021/22 Early Years budget.
4. The 2021/22 Central Schools Central Services Budget.

87. 2020/21 WORK PROGRAMME AND MEETING DATES

- 87.1 The work programme and meeting dates (including dates for the High Needs Subcommittee) were attached for information at Agenda Item 7 (a copy of which is filed with the signed Minutes). Reference was made to the meeting of the High Needs Subcommittee on 10 March which would be looking at the DfE consultation around the formula, the local consultation around the SEND Strategy and other elements.
- 87.2 Mr Parvin advised members that specific legislation required to hold virtual meetings of the Schools' Forum was only applicable until 31 March 2021. He anticipated this date would be extended but was awaiting EFSA guidance. It was acknowledged that the virtual format had proved extremely convenient for some members and, as requested, representations would be made to the EFSA for it to continue. The possibility of having a blended format with some members attending in person and some virtually would also be explored. Mrs Aviston added that guidance for school admission appeals had been received yesterday and virtual meetings would continue so she anticipated that guidance for Schools' Forum would follow shortly.

88. ANY OTHER BUSINESS

88.1 Return of 2020/21 De-Delegated Funding to Maintained Schools

- 88.2 Mr Parvin apologised to members for not circulating the above report in advance of the meeting but said it was part of the financial monitoring position in respect of the de-delegated funding. There had been very little demand on the contingency school reorganisation budget and there was a significant balance on contingency funding. It was therefore proposed that this would be refunded to maintained school

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members as set out in paragraph 4 of the report which he presented on screen and would be circulated to members following the meeting.

- 88.2 It had been agreed at January's meeting that de-delegated funding be reduced in relation to behaviour support funding for 2021/22 so there was less money being deducted at source from school budgets. Historically there had been a £20 deduction in relation to potential costs arising from reorganisation.
- 88.3 The report had been brought to this meeting specifically as it was considered important to return the funding to schools before the end of March so it would be reflected in the end of year school balances. This would not affect 2021/22 de-delegation decisions which would be reviewed at a later date. It would be refunded on a £20 per pupil basis and would have more of an impact on larger schools in line with how the deduction had been made initially.
- 88.4 Mr Parvin highlighted that academies did not have de-delegated funding deducted from them by the Authority so this did not affect them with the exception of those schools that had academised during 2021 who would receive a pro-rata refund of their contributions.
- 88.5 Appendix A set out a list of schools and showed the impact of the refund.
- 88.6 The Chair thanked Mr Parvin for the report and said this would be a welcome bonus for the schools involved.

89. DATE OF NEXT MEETING

The next meeting would take place on Wednesday, 7 July 2021 at 9:30 am.

CHAIR _____

DATE _____

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