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Note: These Minutes will remain DRAFT until approved at the next meeting of the Committee

SCHOOLS FORUM

MINUTES OF THE MEETING HELD ON MONDAY, 14 MARCH 2022

Present: Reverend Mark Bennet (Church of England Diocese), Jonathan Chishick (Maintained Primary School Governor), Melissa Cliffe (Maintained Primary School Headteacher), Jacquie Davies (Pupil Referral Unit Headteacher), Keith Harvey (Maintained Primary School Headteacher), Richard Hawthorne (Academy School Headteacher), Jon Hewitt (Maintained Special School Headteacher), Caroline Johnson (Maintained Primary School Headteacher), Councillor Ross Mackinnon, Maria Morgan (Maintained Nursery School Headteacher), Gemma Piper (Academy School Headteacher), Chris Prosser (Maintained Secondary School Headteacher), David Ramsden (Maintained Secondary School Headteacher), Campbell Smith (Academy School Governor), Graham Spellman (Roman Catholic Diocese), Phil Spray (Primary Governor Representative) and Charlotte Wilson (Academy School Headteacher)

Also Present: Avril Allenby (Early Years Service Manager), Melanie Ellis (Chief Accountant), Ian Pearson (Head of Education Services), Jane Seymour (Service Manager, SEN & Disabled Children's Team), Jessica Bailiss (Policy Officer (Executive Support)), Richard Hand (Trade Union) and Michelle Sancho (Principal EP & Service Manager)

Apologies for inability to attend the meeting: Councillor Dominic Boeck, Catie Colston, Emily Dawkins and Catherine McLeod

PART I

82 Minutes of previous meeting dated 24th January 2022

The minutes of the meeting held on 24th January 2022 were approved as a true and correct record and signed by the Chair.

83 Actions arising from previous meetings

Actions Jan22-Ac1, Ac2 and Ac5 were completed.

Jane Seymour referred to Jan22-Ac3 regarding the need to make it clearer the number of places being budgeted for, given that funding was not provided for the number of places needed. For special schools, 365 planned places were received and an additional 46 were having to be budgeted for at a cost of £460k per annum. Jane Seymour explained that for resourced provision they were not having to budget for extra places. At iCollege budgeting for extra places for students with EHCPs was needed and there were 18 students in total, at a cost of £180k.

Jane Seymour referred to Jan22-Ac3 regarding providing information on capacity of existing provision, so that pressure in the system could be judged. The 46 additional places being funded were the maximum places that could be catered for by special schools. Resourced provision was not over on numbers. To put this in context, Jane Seymour explained that there were 1170 EHCPs and planned place funding was not received for all of these. Funding was only received for places at special schools, resourced school, FE and iCollege.

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84 **Declarations of Interest**

Michelle Harrison declared an interest in Agenda Item seven, and reported that, as her interest was a disclosable pecuniary interest or an other registrable interest, she would be leaving the meeting during the course of consideration of the matter.

85 **Membership**

Jessica Bailiss reported the following membership updates:

- An election had taken place for the academy governor vacancy however, no nominations were submitted. An election would be repeated later in the spring.
- There was also an academy headteacher vacancy on the forum, which academy heads had been consulting and was in hand.

86 **Schools' Forum Work Programme 2022/23 (Jessica Bailiss)**

Jess Bailiss reported that the work programme for 2022/23 largely followed the same pattern as previous years and it was subject to change throughout the year. There were some additional Heads Funding Group (HFG) dates scheduled and this was to accommodate bids to the Schools' in Financial Difficulty Fund. These meetings would only go ahead if too many bids were received to be able to add them to HFG meetings already scheduled.

The recommendation was for the work programme for 2022/23 to be agreed by the Forum. Keith Harvey proposed that the work programme be approved and this was seconded by David Ramsden. At the vote the motion was approved.

RESOLVED that: the work programme for 2022/23 was approved by the Schools' Forum.

87 **Early Years Budget 2022/23 (Avril Allenby/Lisa Potts)**

(It was agreed by the Chair that Agenda Item 10 could be considered next on the agenda before Item 7)

Avril Allenby introduced the report (Agenda Item 10), which aimed to set out the proposal for the Early Years budget 2022/23, which was based upon the recommendations of the Early Years Funding Group.

Avril Allenby reported that the purpose of the report was to update the Forum on deficit recovery progress and to propose what the budget should be going forward. This was challenging because the data from the annual census had only just been received and the information had needed to be analysed quickly.

Lisa Potts reported that in the current year they were looking at a forecast overspend against hours that were delegated to providers. There was a small saving on the centrally managed funds, which was through the Disability Access Fund. Lisa Potts drew attention to the table under section 4.6 and highlighted that £206k had needed to be returned to the DfE and there was an adjustment for the current year of £205k. It was noted that the two figures almost offset each other. There had been a delay in receiving the adjustment position for the last financial year and it had not been received until November 2021 when it was normally received in July. The paperwork had been updated to reflect these changes. Lisa Potts explained that whilst a budget overspend of £1.1m had been set for the current year, the forecast had now been reduced to £916k, which was an improved position. Lisa Potts stressed that this was still not the final outturn position however, a great amount of change was not expected.

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Lisa Potts moved on to provide details on the deficit recovery position, which was included under section five of the report. Lisa Potts drew attention to the table under section 5.2 and explained that the deficit recovery plan set out to save £123k in year one. The provisional figures were expected to be £129k, which was an over achievement of £6k. This was because the hours in the area of deprivation had increased. The deficit recovery position would continue to be monitored.

Lisa Potts reported that as a result of the Spending Review additional funding would be received for early year providers. When determining the local rates there were two factors that needed to be taken into consideration including the deficit recovery and the new funding from Government. The table under 6.2 of the report showed the local rates in the current financial year, the rates as per deficit recovery and the proposed rates when the new funding was applied using the local formula. The pass-through rate for 2022/23, which had been discussed with the Early Years Funding Group would be 99.7%.

Lisa Potts drew attention to the table under 6.6, which detailed the 2022/23 budget. It was important to note that the numbers of hours that this was based on fluctuated. It was hoped there would be an increase in hours. The indicative figure of £10m had been received from the DfE. There was a shortfall predicted for 2022/23 of just under £367k and Lisa Potts reported that work would take place to look in to what had caused this.

Avril Allenby commented that they had tried to carefully balance the deficit recovery position with being able to pass through additional funding from Government to providers. It was pointed out that the funding from Government would be over a three year period. Care had been taken to ensure each provider received a reasonable amount of uplift because the additional funding had been provided to support providers with rising costs such as salaries, national insurance and the impact of covid.

Keith Harvey proposed that the Forum agree the 2022/23 budgets as detailed in 6.6 of the report and this was seconded by Jon Hewitt. The Chair invited the Forum to vote and at the vote the motion was carried.

RESOLVED that the Schools' Forum approved the 2022/23 budgets as detailed in 6.6 of the report.

88 **Schools' in Financial Difficulty - Bids for Funding (Melanie Ellis)**

(Michelle Harrison declared a personal and prejudicial interest in Agenda Item 7 by virtue of the fact that she was the School Business Manager at St Finian's RC Primary School which had submitted one of the bids due to be considered by the Forum. As her interest was personal and prejudicial and a disclosable pecuniary interest, she would be leaving the meeting during the course of consideration of the matter and would take no part in the debate or voting on the matter.)

(Michelle Harrison left the meeting at 5.19pm.)

Melanie Ellis introduced the report (Agenda Item 7), which summarised the bids that had been received from schools to access funding from the 'Primary Schools in Financial Difficulty' de-delegated fund that were recommended for approval by the Heads Funding Group. There were four bids in total and the detail of the amounts each school was bidding for was included under 2.1 of the report.

Melanie Ellis drew attention to 2.2 of the report, which included a proposal for an additional criteria for allocating funding to schools, which had been supported by the HFG as follows:

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To allow extraordinary payments of up to £5k to be made if at the end of the maximum deficit recovery period of 5 years a school has a deficit balance of £5k or less and the school is able to submit a surplus budget for the following financial year.

Melanie Ellis drew attention to 2.3, which included a recommendation in line, with recommendation 2.2 above, to approve an extraordinary payment to St Finians RC Primary School of up to £5,000, to enable them to end their five year deficit.

Melanie Ellis provided information on each of the bids that had been received as detailed in sections four, five and six of the report.

Jonathan Chishick referred to the bid from St Finians in light of recommendation 2.3 and asked if the £5k would be in addition to the bid amount of £2,492 if approved. Melanie Ellis confirmed that the £5k would be in addition to the amount being bid for. The £2,492 was covering the reason for the bid and then in addition to this would be a payment of up to £5k depending on what the school's deficit was at the end of the five years.

Jonathan Chishick raised a further question regarding the bid from St Finian's. He noted that at period nine the forecast deficit was £4.4k and he queried if this would be the position if the bid was awarded. He queried why if the school's deficit position was £4.4k they were being awarded nearly £8k. Melanie Ellis reported that the forecast deficit was £4.4k and if the school was awarded the bid then the forecast deficit would be £1.9k. If £1.9k was the deficit position at the end of the year then this is what the school would be awarded to bring the balance to zero. If the bid was not awarded and the school had a closing deficit of £4.4k then the recommendation would be that this amount was awarded.

Jonathan Chishick raised a question regarding the bid from Kintbury. The report stated that it was the first year that the school had operated with a deficit however, he recalled that the school had bid for £30,700 in 2019 and therefore presumably it was not the first year the school had operated with a deficit. He noted that the school's forecast deficit for the current year was £49k and he therefore queried why the school might potentially be awarded £58k. Melanie Ellis reported that the school was in the first year of the current deficit cycle. Ian Pearson explained that a school could return to deficit following a previous deficit that had been balanced. The previous award to the school in 2019 had been followed by a balanced budget. It was therefore the first year of the current deficit. Ian Pearson explained that Jonathan Chishick's second point related to the specific circumstances of the school in that it had put in two bids for two separate items. If bids for the two items were awarded then the sums would exceed the period nine forecast deficit of £49k. It therefore needed to be considered if the whole sum should be awarded or a sufficient amount to bring the school's budget back to a balanced position.

Ian Pearson further explained that there would be an issue in terms of accuracy regarding Kintbury because the period nine forecast might not be the final position. He drew attention to section 7.4 of the report, which showed that the budget that had been set for 2021/22 indicated a deficit of £62k but when re-assessed in period nine this had come down to £49k. It was suggested that rather than awarding a sum of funding relating to costs, that a lesser total amount be awarded that brought the school back in to balance.

Jonathan Chishick added that it would also depend if the school could set a balanced budget in the next financial year. Ian Pearson explained that the purpose of submitting a bid was not just to address a deficit in the year the bid related to, but to also to help the school become self-sustaining in balancing its budget in the years thereafter. Jonathan Chishick was uncertain about whether the full amount should be awarded currently or if the Forum should wait and award an amount sufficient to cover the deficit at the end of the year. If this was less than the school had asked for then he felt that the school's

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budget for next year would need to be considered. If the full amount was required to balance the schools budget at this point then he would be happy with this however, if this was not the case Jonathan Chishick stressed that due to limited funds, funding needed to be spent carefully.

Phil Spray queried how the Heads' Funding Group (HFG) had arrived at the figure of £5k in relation to recommendation 2.2. Ian Pearson explained that the proposal had arisen as the result of looking at the St Finian's position. If the bid from the school as it stood was awarded then at the end of a five year deficit recovery period, which was the maximum time permitted, the school would still likely be in deficit. It had been felt by the HFG that further support could be provided to schools approaching the end of a five year deficit recovering plan, that were very close to reaching a balanced position. Based on a limited pot, up to £5k had been felt to be a reasonable figure. There had been an empathetic understanding of the challenge faced by schools and a desire to see schools close deficits within the five year period.

Melissa Cliffe highlighted that Kintbury were currently trying to recruit a new headteacher and it was likely to be a first headteacher post. It had been discussed at the HFG that the school had already been through one unsuccessful selection process and it was felt that a new headteacher was less likely to take on the position if the school was in deficit. The HFG had felt the issue needed resolving so that the school could become financially sound and in a better position to recruit. If the school had to keep going out to selection then this would cost more money.

In light of Jonathan Chishick's comments and moving forward, Ian Pearson explained that the Forum could either consider the existing recommendations or they would need to be amended and then considered again.

The Chair invited the primary school representatives to vote on the recommendation under section two of the report. Jonathan Chishick stated that he was happy to vote in favour of the recommendations on the condition that funding was only awarded to the amount that would resolve the deficit. At the vote with maintained primary school members the motion was carried.

RESOLVED that:

- The bids from St Finians, Beenham and Kintbury primary schools as set out in section 2.1 were approved.
- The additional criteria for allocating funding to schools as detailed in section 2.2 was approved.
- An extraordinary payment to St Finians RC Primary School of up to £5,000, to enable them to end their five year deficit as detailed in section 2.3 was approved.

89 iCollege Review (Jacquie Davies/Michelle Sancho)

(Michelle Harrison re-joined the meeting at 5.40pm)

Michelle Sancho introduced the report (Agenda Item 8), which reported back on proposals of the iCollege Financial Review task and finish group.

Michelle Sancho reported that a report to HFG on 23rd February 2021 identified key issues to be taken forward by a task and finish group in consultation with primary and secondary headteachers. These included addressing a lack of clarity around the roll status of students at iCollege; inconsistent practice and different financial arrangements in the funding of placements; clarity around admission procedures especially for primary schools.

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The proposals of the task and finish group were set out under section five of the report and Michelle Sancho provided detail on each one.

Richard Hawthorne asked for clarification on the proposal regarding short term places to be delivered in termly blocks (5.2). He queried if he was right in his assumption that if a school was in the middle of a term if it would be until the end of a term. Michelle Sancho confirmed that it would be possible to renew for a further block because the full block had not been received. This created an easier termly review process for placements.

Melissa Cliffe proposed that the Forum agree the proposals of the task and finish group set out in section five of the report and this was seconded by Richard Hawthorne. At the vote the motion was carried.

RESOLVED that the Schools' Forum agreed the proposals of the task and finish group set out in section five of the report.

90 **High Needs Block - Use of funds transferred from Schools Block to HNB 2022-23 (Jane Seymour)**

Jane Seymour introduced the report (Agenda Item 9), which set out proposals for use of the funds which would be transferred from the Schools' Block to the HNB in 2022-23. It had been agreed that 0.25 percent of the Schools' Block would be transferred to the HNB (£320k). Initial proposals for use of the funding had been brought to the HFG in January 2022 and it had been requested that further detail be added to the report including potential savings and cost avoidance associated with the proposals.

Jane Seymour went through proposals one, two and five in detail and Michelle Sancho provided detail on proposals three and four under table one in section four of the report. All of the proposals were aimed at providing earlier intervention for children with SEND to remove the need for them to access more acute services including specialist SEND placements. It was reported that a more specific proposal had now been included for SEN in early years and was detailed under proposal number two.

Jacque Davies asked if the funding going to schools for the purpose of EBSA would be available for the next financial year from April 2022 and it was confirmed by Jane Seymour that all funding was for 2022/23 as a one off amount.

Charlotte Wilson referred to proposal number three regarding the SEMH practitioner and asked if this would be a new post that was being created. Michelle Sancho reported that there was a member of staff who currently carried out some work that was funded through Support Families, which was very specific work and therefore they were not able to work with the broad range of pupils that needed support. Michelle Sancho confirmed that the new post would have to be recruited to.

Chris Prosser proposed that the Forum approve the recommendations under section two of the report and this was seconded by David Ramsden. At the vote the motion was carried.

RESOLVED that:

- The Schools' Forum agreed the use of funds transferred from the Schools Block to the HNB in the 2022-23 financial year as set out in table one under section four of the report.
- The Schools' Forum agreed that impact reports should be requested from Local Authority Officers in March 2023 on the projects funded from Schools Block Transfer.
- The Schools' Forum agreed that impact reports should be requested in October 2022 from secondary schools which have received funds from the HNB for EBSA.

91 Final High Needs Block Budget 2022/23 (Jane Seymour)

(Richard Hawthorne left the meeting at 5.57pm)

Jane Seymour introduced the report (Agenda Item 11), which set out the current financial position of the High Needs Block (HNB) budget for 2021/22 and the position as far as it can be predicted for 2022/23, including the likely shortfall. Jane Seymour reported that there were not many changes to the information since the Forum had last viewed the report in January. The main reason the report had been brought back to the Forum was because there had been an increase in the net shortfall in 2022/23 and in terms of the carried forward overspend.

Jane Seymour drew attention to section 3.7 of the report, which detailed that the net shortfall in the 2022-23 HNB budget was £5,980,129, this had previously been just under £5.2 million when the report was last brought to the Forum in January.

The reason for the increase was primarily because the Local Authority (LA) no longer received a separate grant for increases in teacher pay and pensions in special schools and PRUs. These costs now had to be absorbed by the HNB, which was not reflected in the previous figures and would be an impact going forward.

The increase in the next financial year compared to previous figures was just over £300k and the total increase including the impact on the current year's budget was about £780k. Apart from this no other significant changes were predicted.

RESOLVED that the Schools' Forum noted the report.

92 Deficit Schools (Melanie Ellis)

Melanie Ellis introduced the report (Agenda Item 12), which provided details of the two schools which ended the 2020/21 financial year with unlicensed deficit balances due to Covid-19; the five schools which submitted deficit budgets for 2021/22 and schools that had informed West Berkshire Council they now expected to end the 2021/22 financial year with an unlicensed deficit balance.

The two schools that had ended 2021 with an unlicensed deficit were both forecasting a worse financial position than budgeted. Once budgets had been submitted it would be known if these schools would be applying for a license or if outturn positions had improved.

Regarding licensed deficit schools, three schools were reporting a better position and two schools were in a worse position. This was summarised in section 4.2 of the report.

Two schools were expecting to have an unlicensed deficit including St Josephs Primary School and the Kite Federation. Melanie Ellis reported that these were the schools that had been in touch to inform the LA of their deficits and it was possible that more schools would get in touch before the year end.

Melanie Ellis reported that the whole position was summarised in 6.1 of the report within a table, as of the end of 2021/22.

RESOLVED that the Schools' Forum noted the report.

93 DSG Monitoring 2021/22 Month 10 (Ian Pearson)

(Reverend Mark Bennett joined the meeting at 6.05pm)

Ian Pearson introduced the report (Agenda Item 13), which aimed to report on the forecast financial position of the services funded by the Dedicated Schools Grant (DSG), highlighting any under or over spends, and to highlight the cumulative deficit on the DSG.

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Ian Pearson highlighted that because the report included month 10 figures it should be reasonably accurate in terms of the end of year position. Key information was presented in the two tables under 5.1 and 5.5. The key narrative about the position was set out under 4.4, 5.2 and 5.3 of the report. Ian Pearson drew attention to forecast figures for the current year and 2023 under section 5.5 where it could be seen that the two main areas of concern were the High Needs Block and the Early Years Block, which were both showing significant deficits.

Gemma Piper raised a query regarding the HNB between the forecasts for Quarter Three and month 10. There was quite a large difference of £568k and she queried what had contributed to this. Ian Pearson was of the understanding that the majority of the figure referred to by Gemma Piper was a result of changes to pension costs as detailed as part of the previous HNB report. In previous years funding for this purpose had been received from Government as a separate grant however, in the current year with very little warning this had not been the case. This would need to be absorbed by the HNB and had added significant additional pressure to the block and would also be a pressure the following year. The other area of sustained continuous pressure was top-up funding. This was money needed by schools to support children with EHCPs. Neither of these areas would have been known at Quarter Three however, had since surfaced and it was important that this information was shared with the Forum at the earliest opportunity.

Jane Seymour was of the understanding that the pension costs had been added in Quarter Four and top up costs had been recalculated for EHCPs in mainstream schools and special schools, which constantly changed throughout the year.

Gemma Piper queried if further top-ups needed to be added going forward given a number of specialist private providers were popping up locally and these were often very costly.

Ian Pearson reported that going forward pension costs would need to be included in budget setting. The LA was due to meet with the DfE regarding the HNB and the matter of the additional pensions costs would be raised given the pressure the block was already under. Regarding top-up costs there were two elements to consider. Firstly as mentioned there were a number of new provisions in the area and this could result in placements that incurred additional costs. Secondly there were top-up rates, which were based on assumptions of levels of support. Ian Pearson stated that when work took place to build the budget for 2023/24 all issues would need to be taken in to account, which were also being compounded by increasing numbers. Ian Pearson reported that the budget for 2022/23 had already been set so they would have to manage within the funding available.

RESOLVED that:

- Top-up rates and whether these were appropriate to support schools; new resources in the area and additional pension costs all needed to be taken in to consideration when setting the budget for 2023/24.
- The Schools' Forum noted the report.

94 Date of the next meeting

The next meeting of the Schools' Forum would take place on 20th June 2022.

(The meeting commenced at 5.00 pm and closed at 6.12 pm)

CHAIR

Date of Signature