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SCHOOLS FORUM

THURSDAY, 26 MAY 2022

PRESENT: Chris Tomes (Vice-Chair, in the Chair), Joolz Scarlett and Sarah Cottle

Also in attendance: Councillor John Baldwin and Councillor Donna Stimson

Officers: Oran Norris-Browne, James Norris and Sarah Ward

APOLOGIES FOR ABSENCE

Apologies were received from Maggie Callaghan, John Fletcher, Mike Wallace, Martin Tinsley, Isabel Cooke, Clive Haines & Kevin McDaniel.

DECLARATIONS OF INTEREST

Chris Tomes, Vice Chair who was chairing the meeting declared that he was the Chairman of Directors at South East Berkshire Multi Academy Trust.

MINUTES OF THE PREVIOUS MEETING

RESOLVED UNANIMOUSLY: That the minutes of the meeting held on 20 January 2022 be a true and accurate record.

BUDGET OUTTURN & SCHOOL BALANCES 2021/22

The Forum considered a written report regarding the budget outturn and school balances for 2021/22.

James Norris, Head of Finance for Achieving for Children, said that in the final quarter of the financial year 2021/22, there was a reduction in the overspend position. The final position was a net £257,000 overspend on the Designated Schools Grant (DSG). Within the school's block there was an underspend of £537,000, which was reported throughout the entirety of the financial year. There was also an underspend of £328,000 relating to the central school's services block. He said that this figure had changed within the final quarter due mainly to a one-off income received of £130,000, relating to the previous 4 financial years. There were also reduced overhead spends of around £80,000. The Early Needs block underspent by a net £426,000. £160,000 of this was identified within the final quarter of the financial year and was identified based on the Department for Education (DfE) census data that had been provided March 2022.

James Norris said that the area of most concern in terms of costs was the High Needs block with an overspend of £1.5 million. £1.7 million was the reported figure throughout the year, however in the final quarter this had decreased in the region of £200,000. Overall, for the DSG there was a net overspend of £257,000 as set out within table 2 of the report. When added to the balance that had been brought forward, this produced a net projected deficit as of 31 March 2022 of £2.048 million. This equated to 1.5% of the overall DSG budget.

James Norris then discussed the de-delegation balances. He said that £547,000 had been ring-fenced and held for the de-delegation activities. As agreed by the Schools Forum back in December 2021, £72,000 of the fund would be put towards the reduction in School Improvement & Brokering Grant funding that was being received in the financial year 2022/23. A contingency of 10% would also be held back for prudence. Resulting in £427,000 to be given back to maintained schools during Summer 2022. Larger primary schools for example

would receive approximately £22,000 as a refund and the smaller ones would receive between £3,000 and £5,000. If a school had become an academy covert in the last 2 or 3 years, then they would receive a reimbursement on a pro-rata basis.

James Norris then discussed the maintained schools' balances for 2021/22. He said that there was currently a net balance in excess of £3 million across all of the sectors. This was made up of around £4.5 million of school surpluses minus around £1.5 million of school deficits. The surplus had increased by £710,000 over the last financial year. Secondary schools were recommended to hold a balance up to 5% and other schools 8%. The average balance across schools within the borough was currently 7.5%.

Sarah Cottle asked for clarity with regards to the receipt of a one-off nursery rental income. James Norris said that this was related to a backdated payment related to the Oldfield School site.

Sarah Cottle noted that the early years block were seeing a constant underspend currently and noted also that every year, funds were not necessarily placed in the best places to have direct positive impacts on the young people. She asked for some clarity on how it could be ensured that young people benefited from this underspend in the early years block. James Norris noted this and would take this forward.

Joolz Scarlett asked if the DfE's climate change and sustainability guidance had been included within the report and stated that schools would need to think about this new guidance. James Norris thanked Joolz Scarlett for alerting him and said that he would consider this.

Councillor Baldwin asked for clarity in paragraph 6.2 on the figure of £427,000. James Norris provided this clarity and stated that these figures were rounded. The final figure was somewhere between £427,000 and £428,000.

The Forum noted the report.

DEDICATED SCHOOLS GRANT DEFICIT MANAGEMENT PLAN 2022/27

The Forum considered a written report regarding the Dedicated Schools Grant Management Plan for 2022-27.

James Norris introduced the report to the forum by stating that it was forecast that if no corrective action was taken at the present time, then within 5 years there could be a deficit of £13 million. A plan had to be sent to the DfE that outlined what action the authority would take to avoid this. James Norris said that they were open to any suggestions that could be included within this plan.

In the year 2021/22, there was an overspend of around £1.5 million. Additional grant funding had also been commissioned for 22/23. He noted that some blocks had underspends, which aided in the overall deficit position.

James Norris then outlined some assumptions that had been made within the modelling. In accordance with DfE advice, the annual grant particularly within the High Needs block had been increased by 5% for the 23/24 year and 3% the year after. Table 2 of the report also showed the trend in Educational Healthcare Plans over the last 4 years. This showed an increase of around 5% per annum. An inflation rise of 2.4% was also shown, however it was noted that this may be outdated due to the large rise in inflation within recent times. It was acknowledged that this would put further pressure upon the authority. If no action was taken, then the authority would see a deficit of around £13.7 million. This would be 10% of the overall DSG allocation.

James Norris said that part of the authority's plan was to work with the DfE in the delivering better value in SEND support programme. The first meeting was held in March 2022 with representatives from the borough present, where it was agreed that the authority would sign up to the programme with the DfE.

James Norris said that table 6 showed where the authority could end up by the year 2026/27 in terms of cumulative savings, which could show a saving of £8.3 million. The target was £13.7 million, suggesting that the authority would still be in deficit by £5.4 million.

Joolz Scarlett asked if another meeting was to occur to discuss what the DfE's suggestions would be. James Norris said that the report could be brought back to the Forum, however their suggestions so far had already been discussed by the authority. Joolz Scarlett asked if any future plans would be brought forward. James Norris acknowledged this and said that these would all have to be looked at and potentially be re-prioritised.

Sarah Cottle said that a gap would be left between something being agreed by the Forum and then seeing it actually be implemented. James Norris acknowledged this and explained that things did occur behind the scenes and at ground level, however these obviously need to be recorded.

The Chairman asked what the criteria was for the other local authorities that had been grouped with the borough by the DfE. James Norris said that there were 5 authorities that had the greatest level of deficit and were receiving DSG Safety Value support. 55 authorities were present within the next banding that included RBWM. This was based on relative scale of deficit.

Sarah Cottle asked if there was any sharing between these local authorities in terms of ideas. James Norris agreed and said these discussions did occur; however, most ideas were commonly endorsed.

Joolz Scarlett informed James Norris that the date mentioned within 4.11 of the report was now incorrect as the deadline for the green paper consultation had now been extended to 22 July 2022.

Councillor Baldwin asked for clarity on paragraph 7.13 in agenda item 4 and also for clarity for the word deferred within paragraph 4.9 of the report being discussed.

James Norris said that it should probably have read as delayed rather than deferred and that the authority may have to go back to the DfE to ask for an extension of the 5-year deadline for delivering the plan. If this was not accepted by the DfE then ultimately some services would potentially have to have funding reduced. He noted that this was speculative and would have to be looked at again if and when this occurred. With reference to the question on paragraph 7.13, James Norris said that schools were all asked to confirm what they were going to use their balances for.

Councillor Stimson asked if there was anything that the Councillors could do in aiding the teachers and the schools in anything that had been discussed. The Chairman said that political pressure was important and that maybe the funding could be put in line with the level of inflation. Joolz Scarlett said that overspends within the High Needs block was a national issue and that the green paper consultations would hopefully produce some changes. She added that in the last academic years her school had seen 314 applications for 12 school places.

The forum noted the report.

EARLY YEARS FUNDING CONSULTATION RESULTS 2022-23

The Forum considered a written report regarding the Early Years Funding Consultation Results for 202-23.

James Norris said that he was presenting the report on behalf of Clive Haines, and that it was for information. It was believed that the Forum would be interested in knowing the results of the consultation. 100% of respondents were in agreement to increase the rates of 3 and 4-year-olds by 20p. 94% were in agreement to increase 2-year-old funding by 16p. This came into effect as of 1 April 2022. The comments were then discussed from the consultation.

Sarah Cottle said that it would be really good to have a further conversation on the results shown and the supplements, outside of the Forum meeting. James Norris agreed with this.

The meeting, which began at 2.03 pm, finished at 2.58 pm

CHAIRMAN.....

DATE.....