



Surrey Schools Forum Minutes of Meeting

Friday 12 May 2023 1pm Virtual Meeting on TEAMS

Approved by the Forum at their meeting on 4 July 2023

Present

Chair

Rhona Barnfield Howard of Effingham School Academy member

Joint Vice-Chair

Justin Price Freemantles School Special school head

Other school and academy members:

Donna Harwood-Duffy Dorking Nursery school Maintained nursery sch rep

Clare McConnell Bisley Primary School Primary Head

Zoe Johnson-Walker The Winston Churchill School Secondary Head

Geoffrey Hackett Burpham Primary Primary governor

Lisa Kent Manor Mead and Walton Leigh Schools (special governor)

Sir Andrew Carter South Farnham Educ Trust Academy member

Elaine Cooper SWAN academy trust Academy member*

Jo Hastings Ottershaw Infant and Junior Academy member

Karyn Hing Westfield School Academy member

Ben Bartlett Hinchley Wood Learning
Partnership Academy member

Kerry Oakley Carrington School Academy member

Susan Wardlow Reigate School Academy member

Neil Miller Bramley Oak Academy Special academy member

David Euridge Reigate Valley/Wey Valley AP academy member

Non-school members

Sarah Porter Private, voluntary and independent nurseries

Tamsin Honeybourne Unions: Education Joint Committee

Folasadi Afolabi Unions: Education Joint Committee

Matthew Rixson Guildford Diocese (Church of England)

Local Authority Officers

Liz Mills (LM) Director–Education and Lifelong Learning

Carol Savedra (CS) Head of Commissioning-SEND, Education, Early Years

Daniel Peattie	Strategic Finance Business Partner
Sarah Bryan	Deputy Strategic Finance Business Partner
Mary Burguieres	Assistant Director-Systems and Transformation (item 11)
David Green (DG)	Senior Finance Business Partner (Schools Funding)

1 Welcome, Introductions and Apologies for Absence

Apologies had been received from:

Kate Keane	Ewell Grove Primary	Primary Head
Steph Neale	St Pauls Catholic Primary	Primary governor
Jack Mayhew	Learning partners MAT	Academy member
John Winter	Weydon MAT	Academy member

2 Declarations of interest for this meeting and register

There were no declarations of interest over and above those already reported. The Chair thanked those who had already completed declaration forms.

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3 Minutes of previous meeting (10 January 2023)

Accuracy

The minutes of the previous meeting were agreed as accurate.

Matters arising (not covered elsewhere on the agenda)

Reference group on Surrey Pay developments:

There had been few volunteers and it was important to ensure cross phase representation. The Chair encouraged more Forum members to volunteer. It might be necessary to go beyond the Forum to ensure adequate representation. Maintained school representation was important but as many academies followed Surrey Pay it would also be meaningful to involve academy reps.

Schools funding consultation (autumn 2022):

The Chair had sought feedback from secondary colleagues over the low response rate to the consultation. Concerns had included that September was poor timing, although the Chair acknowledged that deadlines for LA responses to DfE gave little flexibility. Colleagues would benefit from more explanation of proposals: could workshops be offered to improve understanding of the consultation proposals? Some colleagues had suggested that responses to the consultation had little impact on decisions, although the Chair could recall few occasions where the Forum had not followed the majority opinion expressed in the annual consultation. Members commented that collective responses on behalf of MATs meant that the number of schools represented in responses may be higher than the number of responses suggested.

4 To receive feedback on update from Inclusion Innovation Working Group at the 28 April 2023 workshop

The Chair had circulated slides of the presentations at that workshop. The Inclusion Innovation Working group would be interested in feedback either at the meeting or separately.

Members offered no feedback.

5 Update on 2023/24 budget including disapplications, final school and early years funding decisions, special schools/PRU inflation and additional CSSB funding requests

DG gave a brief update on final budget decisions following the January meeting:

Schools block

Minor affordability adjustments were made as usual. DfE approved the transfer of funds to high needs block at the end of February, so it was implemented. The final ceiling on gains was 1.562% (we had estimated 1.53%).

Early years block

Funding rates were set out in the paper. There was some change from the proposed early years rates, based on the March monitoring position. Based on what we now know at outturn we can now afford, and are proposing to reinstate, the proposal for an increase in Early Intervention fund equivalent to 3p on the basic rate.

Previous commitments had been given to resolve the “structural underspend” in funding for 3-4 year olds. It was still intended that this should be resolved and it was proposed that the remainder of the “structural underspend” should be reviewed in September, alongside changes to DfE funding expected then, if permissible.

Central schools services block (CSSB)

Sarah Bryan proposed changes to the previously proposed use of CSSB (shown in the annex to the paper), in order to maximise the use of available resources. She also proposed that the LA be allowed to redirect resources between existing approved CSSB categories during the year as required, within the approved total. No new categories of CSSB expenditure were proposed.

In discussion on 2023/24 budgets, the Forum had supported delegation to schools of half of the net historic commitments CSSB allocation. Furthermore, the 2022/23 historic commitments allocation (£556,000) had not been used. This meant a one off allocation of CSSB funding was now available. She proposed a one off increase in CSSB funding for the education welfare service and admissions, where the LA was allowed to charge the full cost to DSG but historically had only charged part. The increase would release general fund resources to improve provision in other areas which could not be directly funded from DSG. These included work on how we might use data from new systems to drive better value (particularly in independent sector placements), additional SEN case officers, and supporting the work of the inclusion innovation working group.

The Forum approved the proposed changes to use of the CSSB by 13-1 (with 1 formal abstention).

The Forum supported the proposed 3p-equivalent increase in Early intervention fund.

6 Dedicated Schools Grant (DSG) outturn 2022/23

DG summarised the 2022/23 DSG outturn. There had been an overall £26.7m overspend plus £1m planned use of reserves (for special school/PRU inflation), less £23.5m safety valve contribution from DFE, so ultimately a £4m overspend. The DSG deficit at year end was £61.3m (£4m increase) but this was only after £23m of safety valve contributions.

Schools block

There was a £2m underspend (after planned use of DSG reserves of £1.0m)

- £0.9m on growing schools-we have always had to be prudent in allowing for growth because if we overspend then the cost has to be taken from next year's formula - and historically some planned expansions haven't been required in full and we haven't known until October. Indeed the following year's budget is usually agreed by Schools Forum at the very time secondary places are being allocated;
- Dedelegated primary contingency £0.156m This was not used, but we propose to carry forward for the same purpose because there is no equivalent contingency in 2023/24
- Minor school funding issues, mainly rates adjustments etc £0.260m
- Corporate charges £0.536m. This was for corporate costs for services required as LA responsibility for maintained schools, where the budget was held by central departments rather than within education (e.g. tree inspections, teachers pensions admin, schools financial monitoring). The costs had been included in the agreed central services levy budget for 2022/23 and the services had been provided, but in 2022/23 DSG had not been used to fund them. This was a one off issue in 2022/23. The costs were included in central services levy costs for 2023/24.
- Other minor variations on de-delegated and central services block services. The largest underspend was on new redundancies, but the budget has been maintained at previous level in anticipation of more redundancies due to budget pressures on schools,

Central schools services block

There had been an underspend of £0.8m, of which £556,000 was due to not allocating the historic commitments funding. There had also been various other small underspends e.g. on devolved admissions appeals, and on teacher pension costs for services.

High needs block

This had been overspent by £31m, £2m below the safety valve trajectory of £33m. However, overall growth had been higher than originally assumed, and the overspend was after £27m of in year cost containments. DfE had brought forward

£11.5m of “safety valve” payments to Surrey, so that Surrey had received £23.5m in 2022/23. This made an overall high needs deficit of £85m.

One member asked for the percentage spend by high needs block category to be compared with that in previous years, to show (for example) changes in the proportion of funding spent on state maintained and independent provision. The Chair asked for three year trend data to be provided with future outturn reports.

Action for SB (for next year)

Early years block

DG reported an underspend of £1.7m, of which £1.2m was on basic funding for 3-4 year olds. The maintained nursery rep asked what could be done to reduce the “structural underspend” in 3-4 year old funding next year, suggesting that providers were struggling on present hourly rates. Officers confirmed their intention to remove the “structural underspend”; the proposed increase in EIF would contribute. When DfE provided more detail on the September 2023 funding changes, officers would look at whether a general increase in rates was possible (and permissible) at that point. Any such change would only be effective from September, i.e. not backdated. Currently the basic hourly rate for providers could not be changed during the year. DfE had rejected a Surrey application for such a change (an increase) a few years ago.

Only a small year end adjustment in early years DSG was anticipated in 2022/23.

The £300k underspend on EIF represented funding which had been committed but not distributed at year end, including a commitment to fund visual aids for children with EAL and children with SEN.

LM would like to set the early years provider rates earlier than had been done recently, and thought there was a need to be less risk averse. The maintained nursery rep thought earlier notification of rates would be helpful to the sector.

7 Update on DfE consultations and announcements

Stage 2 hard/direct NFF outcome

DG reported that DfE had recently published its response to the second stage consultation on moving to the hard /direct NFF (which had closed in September 2022). Two main changes were expected in 2024/25:

- A national split site funding formula, with an additional lump sum for split site school and an additional “distance lump sum” where the split site was more than 500m from the main site. The proportion of funding allocated to the distance lump sum had been reduced compared to the consultation, and a taper was now proposed which would remove the “step” at 500m. Only a few Surrey schools received split site funding, and most would benefit from the proposed changes;
- Minimum criteria for growth funding (of bulge classes and PAN increases). These appeared unlikely to affect Surrey, as Surrey already funded most such classes where it accepted that there was a need for them.

At some stage, the DfE intended to remove the requirement that “falling rolls” funding, for schools with falling rolls where the vacant places would be required within 3-5 years, could only be allocated to good and outstanding schools, and to replace this with a requirement that falling rolls criteria should be based on schools capacity return data. Falling rolls funding would still be only for temporary falls in roll.

DfE proposed still to allow LAs to apply to move funds from schools block to high needs block, but all such transfers would require Secretary of State’s approval. Schools Forum would no longer be able to approve transfers up to 0.5% of schools block.

SEND and AP improvement plan

DfE has published a SEND and AP Improvement plan following on from the SEND Green Paper. This contains a lot about new SEND standards and about making it clearer what mainstream schools can be expected to provide- just as Surrey is doing with Ordinarily Available provision and the work of the Inclusion Innovation Working Group.

The plan refers to a national system of bands and tariffs for specialist provision, but provides little more detail, other than suggesting that work on this should start at the high cost end.

There is little in the plan which is likely to directly influence funding, or the funding consultation, in 2024/25

Extension of early years funded entitlement to children aged over 9 months

CS noted that the government proposals were quite far reaching, including

- A 5% increase in funding for 2, 3 and 4 year olds from September 2023
- A new 15 hour 38 week entitlement for 2 year olds of working parents from April 2024
- A new 15 hour 38 week entitlement for children aged over 9 months of working parents from September 2024
- Extension to 30hrs from September 2025
- 8am -6pm wraparound care in schools for all working parents who want it, from Sept 2026. Currently many schools provide such care but only for small numbers of pupils

The total funding for the new provision could be twice the level of the existing Early Year budget. It was not yet known whether it would be seen as education or childcare and what the funding route would be. The LA was committed to invest in schools and settings and communities,

The lead time for introduction of the new 2 year old entitlement was only around 10 months, compared to 18 months given for major extensions previously.

A task and finish group had been established to scope out requirements both for 2024/25 and later stages, and regular reports to the Forum were proposed. The group ought to have health representation not just early years providers and LA officers.

The Chair asked that there should also be regular reports to the forum and to Early Years phase council.

8 Update on growth fund

DG had provided updated estimates for the growth fund, which showed a higher cost for new secondary school places than anticipated in January.

DG asked the Schools Forum to consider extending funding for new bulge classes in secondary schools to new classes required other than at year 7, and to classes required as a result of growth after October census date. In both circumstances conditions of funding would be as for year 7 bulges i.e. places above existing PAN, required for the LA to meet demand for places, and increase more than ten above PAN. If two or more year groups in a school were affected, each year group would be treated independently. Officers thought two such classes might be required in academic year 2023/24, which was affordable within existing growth contingencies. The Forum had the right of approval as the proposal was a change in growth fund criteria.

The Forum approved the proposed extension of growth fund criteria without a vote.

DG also asked the Forum to support in year variation of funded pupil numbers for secondary schools losing bulge classes, i.e. that the LA would normally apply to the DfE to cease to fund a secondary bulge class after 31 August in the year in which the bulge class left the school, rather than the funding continuing for a full further year. This was consistent with the way primary sector bulge classes were funded, but bulge classes in secondary schools had previously been rare and thus such variations had not previously been discussed for secondary schools. Case by case approval was required from DfE for such variations. (NB the proposed variation would only be sought where the bulge class had been funded from September on entry).

The Forum agreed that the LA should seek in year variation of funded pupil numbers where a bulge class left a secondary school.

9 Mainstream SEND banding review

CS reminded the Forum that the LA proposed to move additional support funding in mainstream schools from a rate based on number of TA hours to a system of bands, developed in part from other LAs' banding templates. A recent consultation with schools had had a low response (64 mainstream schools/358), despite being extended from four weeks to 12 and despite regular reminders in the schools bulletin. CS thought the response would have been higher if schools had had major concerns. Responses had generally been favourable and reservations had most often been about the overall level of funding. There had also been a public consultation (29 responses), three public meetings and a Facebook event organised by Family Voice. Guidance notes and frequently asked question responses had been provided for parents and schools. Some parents had been concerned that the changes might allow schools not to pass on funding to individual children, but this was seen as a relational issue between parents and individual schools.

Officers proposed to implement the proposed changes, subject to formal sign-off.

Implementation would mean that new EHCPs would be expressed in terms of the new banding, existing EHCPs in secondary schools (and pupils subject to key stage transfer) would transition in Sept 2023 and those in primary schools would transition in Sept 2024. In consultation responses concerns about the implementation timetable had generally been that transition should be quicker. Implementation was a huge task, but CS was confident that it was on track.

Members expressed concern that there could be a huge impact on schools with a large number of EHCPs, and that some schools in that position were already hard pressed financially. They noted that there were already large variations in the proportion of EHCPs in individual schools.

Schools would be provided with statements of existing and banded funding and would be invited to discuss any concerns. The comparisons would be reviewed before issue, to identify large variations.

Officers were looking first at the schools with the highest number of EHCPs (typically 30-40), and these would be prioritised for meetings. The aim was that there would not be large gainers or losers. Members were keen that schools should be made aware of the opportunity for meetings.

No child's provision should change as a result of the change in funding mechanism. It would only change as a result of annual review, and therefore the funding changes would not require consultation with individual parents.

Insufficient information was yet available on any changes proposed by DfE to know how Surrey's proposed changes were aligned to them, but Surrey's proposals were similar to arrangements already in place in other SE LAs.

10 Notional SEND budgets

DG explained that in Surrey in 2022/23 (the most recent year for which comparative data was available), the proportion of mainstream school funding factors deemed notional SEN was below the national average, and thus the proportion of a school's funding deemed notional SEN in Surrey was much lower than if national average percentages were used. Increasing the notional SEN budget would mean that schools were expected to spend more of their existing funding on SEN (although many might already spend more on SEN than their notional SEN budget). If DfE introduced a national notional SEN budget under the hard NFF, that might well be set around the current national average.

For example, Surrey currently identified 40% of primary low prior attainment funding and 55% of secondary low prior attainment funding as notional SEN, whereas the national average was 85% for each. Moving to the national average for notional SEN would increase notional SEN funding by 40%, without changing funding available to schools. The impact would vary across schools, as the proportion of basic per pupil funding deemed notional SEN was actually higher in Surrey than the national average.

It was possible that DfE would change the £6000 additional needs threshold as part of the SEND improvement plan work, a higher threshold would suggest an increase in notional SEN budgets, but would not change Surrey's relative position.

Members noted that the notional SEN budget was only notional, and asked whether changing its definition really made any practical difference. LM suggested that the level of the notional SEN budget affected the arrangements which a school could be expected to make under Ordinarily Available Provision. When looking at requests for statutory assessment, questions should be asked about what support is already in place and that might determine whether an EHCP is appropriate. LM agreed that the LA did not routinely check how schools used their notional SEN funding. She was recommending that the LA should do so. Currently Surrey EHCPs averaged 4.6% of school population compared to 4.0% nationally.

Members thought many schools already spent far more on SEN than their notional SEN budgets suggested. One member suggested that her own school spent £200,000 above notional SEN and IPSB in this way and saw that as typical. She suggested that a very large increase in notional SEN funding would be required to make a difference. In a school with high incidence of EHCPs most of the notional SEN funding would be needed to fund the first £6000 per EHCP, leaving little scope for supporting other SEN children unless they could join activities funded for children with EHCPs.

LM noted that Surrey was out of line on notional SEN and that while many schools spent at or above their notional SEN funding, some chose not to spend at that level. She proposed that Surrey should bring its expectations on SEN spending into line with national and regional averages.

DG clarified the reference to minimum per pupil funding level (MPPL). The minimum level was independent of the level of AEN funding, but a school with higher AEN funding would normally need less additional funding to reach the MPPL (because its average per pupil funding would be higher if AEN funding was higher).

LM proposed that changes to notional SEN funding should be included in the autumn consultation paper. She sought guidance from the Forum as to a realistic transitional period as some schools would need to make changes: three years was suggested. The Chair suggested that there could be arguments for moving faster

The Chair noted that the proposal might cause concern to any school leaders who were unfamiliar with the concept, and asked for a paper to Phase Councils to raise awareness of the issues. LM agreed to look at that and also suggested a webinar for headteachers.

The Forum agreed

- * to support further work on convergence of notional SEN funding on the national average and
- * to support the proposal to collect data from schools on the use of notional SEN funding.

11 Future of ESS SIMS and way forward for maintained schools' management information systems

Daniel and Mary presented this item.

Currently most Surrey maintained schools use CAPITA SIMS and FMS and for over 20 years the council has purchased a licence centrally on behalf of maintained schools. This licence is now funded through de-delegation. Schools buy support separately from Strictly Education. SIMS and FMS have now been bought by ESS, who insist on directly contracting with individual schools from April 2024 for both licences and support and on providing that support directly. Thus from April 2024 the current arrangements could not continue.

This was not a Surrey specific issue but affected many other LAs and there may be advantages in group procurement of an alternative system. In particular Brighton and Hove and East Sussex were currently engaged in procurement of a new management information system for their schools, and it was hoped that Surrey would be able to benefit from their work if it chose a similar approach, as those two LAs had already identified some suitable products.

Continuing with SIMS/FMS might mean the least change, but even then change was likely, and this might be a good opportunity to consider other, more modern, systems. SIMS/FMS was relatively cheap but the low price had reflected lack of development. ESS had committed to investment, including moving to cloud based systems, but it was not clear when that would be.

Officers proposed to establish a working group to consider the options and to report to Schools Forum in July with costs and a recommended approach. The timetable was challenging, requiring procurement during the autumn and implementation before 1 April 2024 in order to preserve business continuity. Members requested some indication of the level of group discount which might be available, noting that that could be an important consideration when considering whether a change of system was worthwhile for individual schools. Moving to any more modern system might well mean higher costs.

Members suggested that business managers should be involved in the group and also school IT leads. Including academies in the group would increase buying power for any proposed option, but would increase the complexity of implementation, and the capacity required to manage it. LA IT, legal and procurement specialists would support the group.

There was a need to communicate the need for change to a wider range of schools.

Forum members interested in joining the working group were asked to contact Daniel or Mary.

12 Other issues for 2024/25 school and early years funding consultation paper, and how to increase schools' involvement

DG asked members whether they wished to propose any items for inclusion in the autumn funding consultation paper, so that they could be worked up for consideration prior to the July meeting. Items already needed were:

- How to implement the 1% block transfer in 2024/25

- Notional SEN budgets (see above)
- Whether 2 year old EIF should come from 2 year old funding rather than 3-4 year olds (as mentioned at previous meeting)
- Other changes in early years funding, including those arising from the extension of funded entitlement to a wider age group
- Any changes driven by DfE
- What happens to de-delegation-in particular CAPITA SIMS/FMS.

Members had no further suggestions to make.

The Chair emphasised the importance of there being no surprises in the consultation after the July meeting.

13 Schools Forum issues

Next meeting to be “in person”, venue to be chosen. This would be consistent with previous intentions of holding one “in person” meeting a year.

At that meeting it would be necessary to elect a new Chair, as Rhona Barnfield will be retiring from her position as CEO of THPT at the end of the summer term.

14 Other business

Sarah Bryan reminded members that training was available for business managers on Surrey’s Unit 4 system. A link would be included in the schools bulletin.

Meeting ended 3.15pm

Date of next meeting

Tuesday 4 July 2023 1pm, proposed in person meeting, venue TBC (now confirmed as Guildford Pavilion).