

Surrey Schools Forum Minutes of Meeting

Thursday 9 July.2020 1.00pm

Virtual Meeting on TEAMS (due to COVID 19)

Approved by members at their meeting on 1 Oct 2020

Present

Chair

Rhona Barnfield Howard of Effingham School (academy member)

Joint Vice Chairs

Kate Keane Ewell Grove Infant and Nursery School (Primary head)

Justin Price Freemantles School Special school head

Other school and academy members:

Susan Chrysanthou Furzeffield Primary Primary Head

Clare McConnell Bisleigh CE (A) Primary Primary Head

Jo Luhman Kings International College Secondary Head

David Euridge Reigate Valley and other PRUs PRU member

Geoffrey Hackett Stepgates Community Primary governor

Eric Peacock Thorpe C of E Primary Primary governor

Ben Bartlett Hinchley Wood School Academy member

Sir Andrew Carter South Farnham Primary Academy member

Elaine Cooper SWAN academy trust Academy member

Jo Hastings Ottershaw Infant and Junior Schools Academy member

Tim Stokes Carwarden House Community School Special academy member (items 1-6)

Non school members

Sian Bath Private, voluntary & independent nursery providers

Andrea Collings Family Voice Surrey

Joe Dunne RC Diocese of Arundel and Brighton

Jonathan Gambier Guildford Diocese (C of E)

Tamsin Honeybourne Teaching union member of Education Joint Committee

Nick Trier Teaching union member of Education Joint Committee

Jayne Dickinson Post 16 providers

Cabinet member for All Age Learning

Julie Iles

Local Authority Officers

Liz Mills (LM) Director–Education, Lifelong Learning & Culture

Eamonn Gilbert(EG) Assistant Director (Commissioning)

Carol Savedra (CS) Head of Commissioning-SEND, Education and Corporate Parenting

Daniel Peattie (DP) Strategic Finance Business Partner (CFLC)

Louise Lawson (LL) Deputy Strategic Finance Business Partner (ELLC)

David Green (DG) Senior Finance Business Partner (Schools Funding)

1 Welcome, Introductions and Apologies for Absence

Apologies for absence had been received from:

Sally Cave Guildford Nursery School and Family Centre (nursery school head)

Fred Greaves Oakwood School (secondary governor)

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

Matthew Armstrong-Harris Rodborough (academy member)

Kate Carriett	George Abbot School (academy member)
Ruth Murton	Thamesmead School (academy member)
Gavin Dutton	Pirbright School (academy member)
Nicky Mann	Wallace Fields Infant (academy member)

2 Declarations of interest

None

3 Minutes of previous meeting (30 April 2020) and matters arising Accuracy

The minutes of the previous meeting were agreed as accurate with one minor presentational adjustment.

Matters arising (not covered elsewhere on agenda)

Outturn (item 4)

DG would review CSSB overheads in outturn over the summer (**Action DG**)

Special schools funding (item 5)

EG had arranged a meeting with Ben Bartlett to discuss Ben's concerns over the SEND admissions process. It was suggested that representatives of primary and special sectors should also be invited.

EG confirmed that in future there should be a Surrey rep at each annual EHCP review and a discussion about appropriate provision, but that parents would no longer be required to state two preferred schools, although they could still do so.

Mainstream school funding proposals (item 6): additional SEN funding for mainstream schools

LM advised that no changes were proposed in this funding for 2021/22, but that it was proposed to include the issue in the second stage of the SEND banding review, for 2022/23. COVID19 had meant delays in the original timetable.

4 DfE School funding updates (if any)

There were no updates from DfE.

5 COVID 19 funding: update and discussion

LM advised that the LA would provide advice to schools on funding for COVID costs if needed. DfE advice emphasised that schools should not seek exceptional funding while adding to balances. The LA would continue in discussions with SAFE over the impact of COVID on schools. The LA wanted to work with schools to understand the financial impact on schools and to engage in lobbying.

The LA had received £47m in COVID related funding, but that had all been committed. DfE guidance now generally prevented LAs from using their general funds to meet expenditure within the scope of Dedicated Schools Grant.

DP commented that, so far, maintained schools' budget plans did not suggest that many schools would be in deficit, but he recognised the need for continuing monitoring. The LA did not know the financial position of individual academies

and suggested that academies make the LA aware if they are likely to be in financial difficulty due to C19.

Members suggested that:

- schools faced a loss of lettings and catering income and also faced increased premises and cleaning costs;
- the scope of the DfE emergency funding had narrowed from that originally suggested;
- Small schools in particular could face large additional costs through sickness of key staff eg Headteacher or business manager.

LM noted that there was an intervention fund for maintained primary schools, but that the impact of COVID19 had not been anticipated when it was set,

6 Special schools funding

EG had circulated a paper on the proposed review, which had been discussed with special schools phase council. He noted special schools' concerns over their current funding arrangements, which had evolved over time. The proposed review aimed to create a single coherent banding system across all special schools, based on a standardised view of core costs, for which data was to be collected from schools. Currently, similar needs bands attracted different funding in different schools. He anticipated moving to the new banding arrangements from April 2021 or September 2021. They would cover the whole range of special school provision, including nursery and post 16.

Modelling work had not yet been done but would follow,

Stage 2 of the review (later) would extend to mainstream (including centres), with the aim of a single banding framework across all sectors, based on pupil need. Generally, it was expected that pupils in special schools would attract higher funding than those in SEN centres, which in turn would be higher funded than those in mainstream. However, this was a general principle, which would need testing, and there might be exceptions. Pupils should be in mainstream schools where possible and sometimes this meant high levels of additional support, but that should be exceptional. It was clarified that, in section 1 of the paper, and specifically the references to bands B and C, "maintained " should read "mainstream"

It was intended that IPSB in special schools would be returned to its original purpose of short term emergency funding and that some of the current IPSB funding would be moved into the banding framework, Currently the level of IPSB funding going into some schools significantly affected the unit costs of individual schools.

EG hoped that, in future, EHCPs could be written in terms of bands rather than hours, although that would be part of stage 2, with a target date of September 2021.

Members queried the principle stated in the paper, that "In many, if not most cases support for pupils will reduce over time, resulting in changes to their individual banding arrangements";

and asked whether there was evidence for this. They suggested that some pupils' needs would reduce, but that the needs of others would increase and that there should be no presumption of a reduction in need.

EG argued that the majority of children with EHCPs would not meet the threshold for adult social care post school. Thus, there was a need to reduce support and increase independence over time to avoid a sudden change when they left education. Indefinite 1:1 support shouldn't be the normal expectation. However, support would only be reduced where that was appropriate. Reductions would not be automatically built into the banding arrangements.

Members thought preparation for adulthood might involve curriculum changes and more targeted support, rather than reduced support. One member suggested that "where appropriate" should be added to the above principle. Members also suggested referring to "young people" rather than to children. EG noted that the principles may not be included in the final proposals.

The Family Voice rep asked when service users would be involved in the review, and asked that that should be sooner rather than later. EG suggested that the aim of phase 1 would be an agreed equitable comprehensive banding framework (with multiple layers within it) which would be in the public domain. But he was uneasy about sharing details of individual schools more widely, because data had been shared confidentially by schools. LM noted that schools had shared sensitive information which had not been shared before.

The Chair asked for the Forum's views to be conveyed to the working group.

Members asked whether the principles developed for special schools would have to be reviewed in order to extend the review to mainstream. EG advised that the sheer volume of mainstream schools necessitated a longer timescale and that special schools had been seeking a review for some time. He emphasised that change would only be by agreement. LM noted that part of the purpose of the Forum discussion was to gain wider agreement. There would be a wider consultation phase later.

Members asked whether the introduction should refer to the importance of encouraging inclusion in mainstream schools. Julie Iles emphasised her total support for inclusion in mainstream schools.

EG noted that the review timescale had been extended, the original target date had been September 2020. The LA was also investing capital in expanding special schools. The aim was that there would be sufficient capacity in Surrey state special schools to meet the needs of Surrey children, thus freeing up funding currently spent on non Surrey placements, which could be fed back into Surrey state schools.

7 Dedicated Schools Grant (DSG) update including High Needs Block

LL reminded the Forum that at the end of 2019/20 Surrey's DSG deficit had been £32m and its high needs block deficit had been £49m. The planned in year deficit for 2020/21 was £24m which was supported by a contribution from general fund to reserves of £24m. At the end of May no overall variation was forecast.

The high needs block deficit was forecast to reach £73m at the end of 2020/21, the aim was for an in-year balance in 2022/23 and repayment of the deficit starting after that.

LM noted that costs had yet to be contained within annual funding. Even when that was achieved, the sheer size of the deficit meant that repayment would have to be over a long time.

LM anticipated discussions with DfE over the recovery plan. She noted that some LAs had stated their inability to recover DSG deficits.

DP advised that the DfE no longer required recovery plans specifically from LAs with an overspend exceeding 1% of DSG. The DfE's process was changing but there was uncertainty over what the new process was.

The Chair had attended a DfE working group on the management of DSG deficits, which she described as very comprehensive.

One member noted that the paper did not include any information on how much reduction would be made in different categories of provision in order to deliver cost reductions.

LM advised that the financial model depended on reduced numbers of EHCPs and increased state sector provision. The model was currently being refreshed to provide a three year forecast. The main issues for Surrey remained a high incidence of EHCPs and high usage of the NMI sector. She aimed to bring an updated model to the Forum next term. The number of EHCP requests remained high. Work with health colleagues had been delayed due to COVID 19 pressures. Much work had also been done on operational aspects. The work was complex but she was confident that it was moving forward.

SEND was regularly scrutinised because it was a high council priority. Scrutiny included the SEND board (chaired by Julie Iles and including Cabinet leads for children's services and for finance, the Chief Executive and a range of other officers) and the SEND systems partnership.

8 2021/22 schools and early years funding consultation

8a Early years

CS presented the proposals. She advised that no changes were proposed to the main principles, including central retention of 5% of funding for three and four year olds.

An increase of 5p-8p was proposed in the basic hourly rate; Surrey aimed to use all of its annual early years funding. Currently the LA was actively seeking to promote take up of early years pupil premium and deprivation funding, and also disability access fund. There was a need for caution in increasing the basic rate, given uncertainty over the cost of increased take up of these funding streams, particularly given the impact of COVID 19. Officers were more certain now about the impact of funding providers for termly take up while being funded on January census data. Take up in Surrey after Jan census was relatively low.

Any increase in DfE hourly rates would be passed on to providers. The central retention would increase proportionately.

Deprivation funding would continue to be distributed on the basis of eligibility for early years pupil premium.

The inclusion fund had been increased in 2020/21 and it was proposed to retain it at the new level. It was targeted at both SEND and disadvantage.

No changes were proposed in the use of maintained nursery school transitional grant.

It was proposed that specialist provision both in mainstream nurseries and special schools would be funded for 15 hr take up, in order to be fair across the whole system. However, if children were entitled to 30hrs and could not otherwise access 30hrs they would receive 30 hrs in specialist provision. If the specialist provision was not able to deliver 30 hours then EIF funding would be provided in mainstream if appropriate.

CS read out a statement from Sally Cave saying that she supported the proposals in the funding paper with the exception of the intention to continue retaining 5%. She felt that maintained provision benefited less from services delivered through the 5% retained funds and that they should therefore receive a higher base rate.

One member asked whether there would be an appeal process for children with complex needs who were restricted to 15hrs and whether there had been discussions with providers, who would need to change their staffing models to deliver only 15hrs rather than 25hrs. CS recognised that a lead in time would be required because of staffing structures based on a 25hr model. She was uncertain what grounds there would be for an appeal when the DfE set the eligibility for funded entitlement.

The cost of central services was managed within the 5% of funding which could be centrally retained. Some of this 5% went to providers eg inclusion fund for 2 year olds and sustainability fund.

The Vice Chair argued that mainstream schools were paying twice for some early years services (eg maintained schools don't use the early years portal) and wanted that investigated. She thought that savings could be made which could lead to reductions in the level of central retention.

Another member proposed that, as Surrey was always significantly underspent on early years the LA should pass on 100% of funds and use previous year underspend to fund centrally retained services. CS noted that the LA had tried to fully allocate 2021/22 funding.

The PVI rep noted that in general centrally funded services were available both to maintained and PVI providers. PVI providers had few other sources of support. A large amount of support had been lost when early years budgets were reduced a few years ago, and some providers had struggled, She

supported the continuation of a 5% central retention, The service had consulted on how it was used.

Another member asked whether data was kept on how many children failed to take up specialist nursery places because of transport costs (because the LA didn't provide free transport for nursery aged pupils). CS advised that the LA already monitored the reasons why families turned down specialist nursery places. Exceptional arrangements could be made where a child was prevented from accessing their entitlement because of lack of transport, Often the LA would actively broker a place in local provision with a support package, in these circumstances.

8b “De-delegation” (this was taken after 8c)

DG reminded the Forum that, “de-delegation” applied to maintained primary and secondary schools only. The decision by Schools Forum is made annually and would be made for 2021/22 at the next meeting. The purpose of the present discussion was to ensure that the proposals are clear enough for an informed response from schools. The proposed de-delegated services for 2021/22 are the same as 2020/21 although some price changes have been proposed for the teaching services, in line with estimated increased costs.

The Vice Chair asked for work on trading behaviour support and REMA, arguing that schools supported “de-delegation” because they were uncertain about the impact of change. LM agreed that work needed to be done on trading more services, and on establishing what schools were willing to buy, but there had been limited capacity for such work within the LA. She was also concerned about making changes to REMA travellers services given the disproportionate impact of COVID19 on that community.

Another member asked that a clear description of the union facilities offer should be included in the consultation paper.

8c Other items

DG explained that the paper covered various items proposed to be included in the September funding consultation paper. He sought the Forum's views, in particular, on whether the questions were clear for schools to answer (eg it was important to avoid combined questions) and on whether any important questions were missing.

DG was happy to share drafts with Forum members over the summer, with no obligation for members to comment. Further proposals may be necessary depending on DfE decisions.

LM noted that this year the Forum was being provided with greater detail earlier than in previous years.

The council had not yet decided whether to seek a transfer from schools block to high needs block or whether to appeal to the Secretary of State if necessary. DG noted that the mechanism for adjusting schools' budgets for such a transfer would need to be included in the consultation paper if such a transfer was being considered. This would include school level illustrations.

LM sought colleagues' views on a transfer from schools to high needs block. The maintained special schools rep was the only one to support a transfer, citing the need to avoid compromising long term recovery plans.

As Surrey's funding was close to NFF it was unlikely that the LA would propose major changes to the funding formula. The main proposals were:

- To set the minimum funding guarantee at the highest level permissible (which maximises protection for those schools which remain on MFG recognising that they will still need to meet the cost of teacher pay increases etc);
- To deliver the minimum per pupil (funding) level in full
- To increase all formula factors by the same percentage as the DfE increase the NFF factor values, less 0.7% for the extra increase provided by Surrey in 2020/21)
- Should this leave a surplus, to further increase all NFF factors by a standard percentage (in effect this is an advance on the following year growth)
- Should the above be unaffordable, to implement a lower percentage increase in all formula factors,
- Should a block transfer ie to high needs block, be proposed and approved, to implement it via a lower percentage increase in all formula factors;
- To use a ceiling on gains only in the case of huge increases in per pupil gains;
- To increase notional SEN budgets (within the NFF) by the same percentage as formula factors are increased (they have not been increased in recent years, and it seems reasonable to increase them now that schools were receiving annual increases in formula funding under the NFF);.
- To reduce delegated former combined services funding in line with any reductions made by DfE (yet to be announced, reduction was 20% in 2020/21);
- To recycle unspent primary sector "de-delegated" contingency to maintained primary schools as in previous years (although COVID 19 may have an impact).

DG confirmed that no changes to the additional SEN funding threshold or method were being proposed and thus there would be no question on this in the consultation paper. LM advised that this would be reviewed as part of phase 2 of the SEN funding review (see item 6 above) and in the meantime the emphasis was on stability.

No changes were proposed in growing schools funding.

DG proposed to take split site and rent funding out of the minimum funding guarantee calculation. This meant that funding for rent increases could automatically be passed through to schools without being offset by minimum funding guarantee reductions, and that schools ceasing to use split sites would

automatically lose split site funding, without a separate decision each time the situation arose.

DG also proposed to attempt the use of Surrey Says (or equivalent) for schools' consultation responses. All questions would still be clearly set out in the consultation paper itself. Members supported this proposal.

Members had no other suggestions for the consultation paper itself.

9 Approval of proposed change to the Surrey Scheme for Financing Schools; DFE risk protection arrangements

DG advised that maintained schools reps were now being asked to agree changes to the Surrey Scheme for Financing Schools covering schools' right to join the government's Risk Protection Arrangement as an alternative to insurance. The issue was not over whether they were to be allowed to join, or whether the RPA was to be supported, but about how the change was included in the Surrey scheme. He proposed a two month notice period for schools opting to leave Surrey's traded insurance (in the middle of a multi year contract) to join the RPA, because of the possible impact on costs to other schools of a large number of schools leaving Surrey insurance at once. The proposed text also included some warnings about risks not covered by the RPA.

This was a decision for now, not a proposal for the consultation paper

The Vice Chair asked that advice on the RPA should be provided for maintained schools, eg at bursar briefings, as she thought schools' knowledge of their options was limited. Another member asked whether SAFE could assist. LM advised that insurance was not part of SAFE's brief but could be considered.

One (academy) member commented that the RPA was a good example of a national offer for schools arranged by DfE and asked whether Surrey needed to continue to offer insurance to schools, what the wider consequences might be to Surrey of no longer providing it, and whether it was something which Surrey should cease to provide. He asked that Surrey should make its position on this clear.

DG noted that the Forum had the right to de-delegate funding from maintained primary and secondary schools for bulk membership of the RPA, but that the LA was not proposing "de-delegation".

Maintained school members unanimously approved the proposed Scheme amendment.

10 Surrey County Council Cabinet reports for information

Schools balances and deficits (July)

There were only a few Surrey maintained schools with deficit budgets.

Alternative provision (May)

LM reported that Cabinet had agreed some funding for temporary accommodation, pending a wider review, plus funding for a feasibility review of the PRU estate.

Members welcomed the review and its potential benefit to some of Surrey's most vulnerable learners.

11 Schools Forum business

DG reported that DfE had now made regulations formally permitting Schools Forum meetings to be held "virtually" until 31 March 2021.

Dates for meetings for 2021 to be circulated before the end of term if possible.

Items for next meeting

Concentrate on outcome of schools funding consultation and DFE recovery plan update

12 Any other business

Julie Iles asked to express her thanks for the efforts made by schools in these unusual times.

Meeting ended 3.30pm

Date of next meetings

Thursday 1 October 2020 1pm, (Virtual on TEAMS)

Thursday 10 December 2020 1pm, location TBC