

Surrey Schools Forum Minutes of Meeting

Friday 14 May 2021 1.00pm Virtual Meeting on TEAMS (due to COVID 19)

Approved by members at their meeting on 8 July 2021

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:

Donna Harwood-Duffy Dorking Nursery Maintained nursery head

Susan Chrysanthou Furzeffield Primary Primary Head

Clare McConnell Bisley CE Primary Primary Head

Zoe Johnson-Walker The Winston Churchill School Secondary head

David Euridge Reigate Valley/Wey Valley Pupil referral unit member

Geoffrey Hackett Burpham Primary Primary governor

Fred Greaves Oakwood School Secondary governor

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

Matthew Armstrong-Harris (part) Rodborough Academy member

Sir Andrew Carter South Farnham Primary Academy member

Kerry Oakley The Warwick School Academy member

Kate Carriett George Abbot School Academy member

Elaine Cooper SWAN academy trust Academy member

Gavin Dutton Pirbright School Academy member

Jo Hastings (item 8 on) Ottershaw Infant and Junior Academy member

Paul Kinder Warlingham School Academy member

Nicky Mann Wallace Fields Infant Academy member

Ruth Murton Thamesmead School Academy member

Non school members

Sue Lewis Private, voluntary & independent nursery providers

Joe Dunne Diocese of Arundel and Brighton (Roman Catholic)

Jonathan Gambier Guildford Diocese (Church of England)

Tamsin Honeybourne Teaching union member of Education Joint Committee (EJC)

Christine Ricketts Post 16 providers

Local Authority Officers

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

Eamonn Gilbert (EG) Assistant Director (Commissioning)

Jane Winterbone (JW) Assistant Director (Education)

Daniel Peattie (DP) Strategic Finance Business Partner

Louise Lawson (LL) Deputy Strategic Finance Business Partner

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

Anwen Foy Head of virtual school for children in care

1 Welcome, Introductions and Apologies for Absence

Apologies:

Nick Trier (EJC) Note: given but not reported at meeting

New members: none

2 Declarations of interest (where not self evident)

Item 4 Kate Keane, Sue Lewis, Justin Price: members of Schools Alliance for Excellence (SAFE) board

Jonathan Gambier, Ruth Murton: advisers to SAFE

Item 10 Susan Chrysanthou, Geoffrey Hackett, Fred Greaves, Matthew Armstrong-Harris and Kate Carriett represent schools with special educational needs centres.

3 Minutes of previous meeting (12 January 2021) and matters arising

Accuracy

The minutes of the previous meeting were accepted as accurate.

Matters arising

There were no matters arising.

4 2020/21 Dedicated Schools Grant (DSG) outturn

DG summarised the DSG outturn: there had been an overall overspend of £30.7m against budget and £32.2m against expected 2020/21 DSG. The difference represented planned use of previous year schools block underspends and prior year adjustments expected to early years DSG. The outturn included an overspend on high needs block of £30.5m. The final cumulative overspend was £63.7m, made up of £80.3m high needs block overspend partly offset by underspends on other blocks.

Schools block

The underspend of £1.837m against budget included:

- £155,000 underspend on business rates
- £1.003m underspend on growing schools, largely where planned growth due to published admission number (PAN) increases in secondary schools hadn't happened as expected, but funding had had to be set aside in case it did;
- £160,000 underspend on primary schools' contingency. None had been used, and underspends were normally returned to primary schools in later years
- £81,000 underspend on de-delegated intervention fund (figure likely to be revised)
- £35,000 underspend on union costs
- £149,000 underspend on various de-delegated services, largely due to staff and travel cost savings
- £76,000 income from exclusion deductions
- £178,000 underspend on brought forward local learning fund underspend from 2019/20.

Kate Keane noted that the intervention fund underspend included funding brought forward from previous years, which had originally been de-delegated from maintained primary schools. She suggested that the underspend had arisen because of a backlog of work because SAFE staff couldn't visit schools because of COVID restrictions. She argued that maintained primary schools had funded the intervention fund as a form of insurance and that, as a principle, it should be carried forward for the same purpose rather than pooled and potentially offset against a deficit elsewhere. She asked that the underspend should be carried forward for its intended purpose and that future consultations on de-delegation for this purpose specifically propose that underspends be carried forward for the same purpose. She argued that dedelegation was intended to provide support to maintained schools, where equivalent support was already available to academies through their multi academy trust structure, and that maintained schools would be discouraged from dedelegation if underspends were used elsewhere. The Forum supported the proposal.

Some members questioned how the underspend had arisen, whether greater use could have been made of alternative forms of delivery, and whether the funding was actually needed for its intended purpose. It was suggested that such questions were better asked at a future meeting when a SAFE representative could be present. Kate Keane suggested that it was for primary maintained schools to decide whether the funding achieved value for money as they provided the funding.

LM noted that some de-delegated contingency underspends had been returned to schools in previous years and that sometimes that might be more appropriate than simply carrying forward a surplus.

Central schools services block

There had been an underspend of £61,000, which was largely due to an underspend on the devolved admissions appeals budget. The central schools budget was funding which had never been delegated to individual schools.

Early years block

The overall underspend of £728,000, after expected reduction in grant of £1.085m based on January 2021 census, was much lower than in previous years. Hourly rate funding for three and four year olds, and for two year olds, had been overspent. The main underspend was in the early intervention fund (EIF).

One member asked if there had been any investigation of the underspend on EIF. LM advised that the panel allocating EIF had sat regularly and that significant sums had been allocated. The COVID pandemic may have restricted the scope for providers to use additional resources. Further proposals for the use of EIF would be considered at the next meeting.

Work was in progress with Primary Council to improve the ways by which maintained nursery providers could access EIF, and Donna Harwood-Duffy would be explaining that at the next primary council meeting.

EIF was being well used in the private, voluntary and independent (PVI) sector and they had found it much easier to use than previous funding streams.

High Needs block

The overspend of £34.5m (£10m above original budgeted overspend) had been close to that estimated. The main components of the £10m were:

- £1m overspend on special school placements, partly due to inflation uplift agreed during the year, partly to increased numbers of pupils placed in state schools
- £8m overspend on independent sector placements: £5m cost containment was achieved but the target had been £10m and there had also been pressure due to additional in year savings
- £2m overspend on individual support costs due to increased demand
- £1m offsetting staffing savings in support services.

Total cost containment of £14m had been achieved by working with schools eg by opening additional state sector places.

The original budget had been set at £24m more than the available grant. That £24m had not been identified to individual services. Louise would circulate a table of original budgets with the minutes. **Please see end of minutes.**

LM noted that there had been increased pressure from placement breakdowns eg mental health issues. The placement budget position was monitored every two weeks.

EG advised that the number of pupils entering the independent sector was expected to be much lower in September 2021 than in previous years. More state places were available in September 2021 and many more would be available in September 2022.

5 Summary of final budget decisions for 2021/22

DG summarised final decisions on the mainstream schools' budgets for 2021/22 taken after the January Schools Forum meeting:

- DfE had rejected the local authority's appeal to transfer funding from schools block to high needs block
- Minimum funding guarantee had been set at 2%, with no ceiling on gains
- Units of resource had generally been set 2% above national funding formula (NFF) rates. This might mean a lower increase next year than the national increase.

The paper also set out transitional arrangements following the ending of additional special educational needs funding (NB this has no impact on individual pupil support budget (IPSB) funding!).

6 Update on Department for Education (DfE) funding consultations for 2022/23

Distribution of high needs block funding to local authorities (closed consultation)

Part of the national high needs block funding was currently distributed on historic spend, using 2017/18 budget data. DfE had proposed to use 2017/18 outturn instead, and to increase the proportion of funding distributed in this way.

Surrey's high needs funding was supported by "floor protection", ie the minimum annual increase in funding per head protected funding at a higher level than the

formula (a similar process to individual schools' minimum funding guarantee). Thus small changes in the national formula were unlikely to have much impact on Surrey.

Sparsity funding in the National Funding Formula (NFF)(closed consultation)

Sparsity funding for small rural schools was calculated based on average distance from pupils' homes to next nearest school, The DfE proposed to change the distance calculation from straight line to road distance, leaving the minimum distance the same (and thus more schools would qualify). Initial estimates suggested that this might increase the number of Surrey schools receiving sparsity funding from five to seven or eight. Most small Surrey schools were still not small enough to qualify for sparsity funding.

Business rates (closed consultation)

DfE proposed to pay business rates on schools directly to billing authorities, rather than expecting local authorities and schools to pay locally. This was largely an administrative change, with little likely impact on funding.

School improvement monitoring and brokering grant (consultation still open)

The school improvement monitoring and brokering grant was a grant to local authorities (not schools) but funded work which supported schools. The DfE proposed to ringfence the grant to specified statutory school improvement duties, preventing its being used for school improvement work which was not technically statutory.

Jane Winterbone advised that the school improvement work funded by the local authority from this grant already met the statutory definition. However, other local authorities used the grant in different ways.

Schools could respond to the consultation individually if they wished.

7 Update on DSG recovery plan

DP advised that all local authorities with DSG deficits were required to prepare a DSG recovery plan and to keep it up to date. Surrey's plan had been updated to include 2020/21 outturn. The report did not contain benchmarking data because no new data was available since the November meeting. Assumptions on grant funding had not changed.

The council had been working with IMPOWER consultancy to develop a "trajectory model" to test the deliverability and impact of its cost containment proposals, which would be used to revise future budget assumptions. IMPOWER had previous expertise in children's social care and special educational needs and disabilities (SEND) and was also working with the DfE.

The DfE had made "safety valve" agreements with five local authorities, whereby they would receive additional funding in order to reach a balanced DSG position within three to five years. Surrey had not been offered such assistance, but the agreements gave some indication of what the DfE was offering to some local

authorities and what conditions might be involved. Surrey officers were arranging a meeting with Education and Skills Funding Agency (ESFA) representatives to explore what might be on offer and also hoped to benefit from their experience in working with other local authorities. Some local authorities had had to commit general fund resources, although the details were unclear. While Surrey's DSG deficit is high in cash terms, it was proportionately lower than in the five local authorities with the agreements. The vast majority of local authorities nationally had high needs block deficits.

LM noted that SEND demand was still increasing and that writing off DSG deficits was not a solution alone, while available funding was inadequate to meet statutory responsibilities. System change was required and the outcome of the SEND review had to be system change. Currently only 0.5% of plans nationally were ceased annually, other than when a young person left education. The issue was likely to take more than five years to resolve.

The Chair asked that future reports should include benchmarking data even if it had not changed. **Action DP**

8 Update on high needs block working group

The high needs block working group had met several times and had considered a number of themes:

SEND sufficiency

The target had been a "wholly maintained" approach to new placements in September 2021. Currently only 58 children were unplaced out of 2,000 requiring placement, which was a vast improvement on the previous year, due to everyone working together. Some independent placements may still be required in order to give everyone a timely offer.

Inclusion strategy

The inclusion roundtable and team around the school model had both been well received.

Alternative provision

Capital expenditure had been approved to make the pupil referral unit estate fit for purpose. An alternative provision strategy had been developed to go with it.

One member asked for an impact assessment of the proposals. The Chair commented that the inclusion roundtable had very specific targets and goals, but that the activities involved would not yield quick wins as they involved cultural change. The summary had been provided because the high needs block working group reports to Schools Forum.

The Chair asked that the organogram summarising the SEND transformation structure should be included with the minutes.

LM agreed that the benefits and savings of the various activities could be made clearer in future reports of the working group.

One member asked whether the group could look at the benefits of earlier intervention. LM agreed on the importance of earlier intervention and early help, including bringing together people across the system including the voluntary sector. In particular early intervention with children with speech and language delay, and with mental health issues, might prevent a long term SEND diagnosis.

Another member asked whether appeals were expected against placements in Surrey special schools. EG advised that the admissions system had been changed, so that while parents could still state a preference for a specific school (which the local authority then had to consider), they were no longer required to state a preference. That meant fewer parental preferences for the local authority to consider. He did not expect a huge number of appeals.

The Chair noted that the Forum would receive regular reports on the work of the working group.

9 Review of Special schools banding- update

EG advised that proposed descriptors and models for funding bands had been shared with the working group. The aim was to create a system where funding followed the child and was consistent across schools. A first iteration of funding had been shared with the working group on 10 May. It was now being reworked following robust feedback from the group. An updated version would be presented to special schools phase council on 21 May. There would then be consultation with all schools. Implementation was planned for September 2022. Agreement was needed whether this would be for new placements/key stage transfers only or for all pupils.

Four specific schools would be negatively affected by the funding model currently being considered, and meetings had been scheduled with two of them. There were legal limits on year on year budget reductions for special schools. There was no intention of implementing the changes without agreement. So far the principles had been agreed but not the funding. He was confident that agreement would be reached.

Justin Price agreed that significant issues still needed to be discussed but that the work was going in the right direction. It was important to think about implementation issues. He also noted that special schools still did not know what their top up rates were for 2021/22 and that there were significant outstanding issues on individual support funding.

EG would discuss outstanding 2021/22 budget issues, and in particular inflation, with special schools phase council on 21 May. A letter would be circulated to schools after that meeting, but he suggested that a discussion first would be helpful. He suggested that 80% of the other outstanding issues should be resolved by 21 May. **Action for EG**

LM recognised that a number of special schools had experienced difficulties with securing IPSB funding. LL would lead a review to investigate how the IPSB allocation process could be improved. **Action for LL**

10 Review of mainstream special educational needs (SEN) funding

EG proposed to establish a representative working group to review mainstream SEN funding. He recognised that most stakeholders wanted to move away from specifying hours of support in education health care plans (EHCPs). He proposed that the group should agree terms of reference by the end of the summer term and that new ways of funding mainstream SEN and SEN centres should be implemented by agreement and implemented in September 2022.

Kate Keane asked that it should be made clear that the local authority was not seeking to reduce funding for individual schools by this work but just to ensure that it was better used. EG saw it as an opportunity for schools to work more closely together and to be more creative, rather than automatically providing 1:1 support. The Chair noted that the present system encouraged expectations of 1:1 support.

Another member noted that many EHCPs already specified 1:1 or pair or small group work. EG thought the scope for this might not be as widely known as it might be and that there was scope for a working group to identify problems in the present system.

Members also noted that while schools could access resources for COVID 19 catch up costs, the local authority had been given none. It was also noted that interest from Surrey schools in running summer schools had been limited, because the funding offer from DfE was insufficient, even if the staff could be found.

The Chair asked whether the same working group would manage the two proposed strands of the review (peer review of use of IPSB and review of descriptors). EG confirmed that it would. He proposed to approach phase councils for nominations.

EG acknowledged that the proposed timescale, including consultation in December 2021 and reporting the results to Schools Forum in early January, was ambitious, but saw it as important that schools knew the outcome by the 15 February deadline for offering key stage transfer places, so that they knew what funding they would receive for the pupils they were admitting. He wanted to consult the subgroup on the deadlines, and they could be extended if there was widespread support for an extension.

An update would be provided at the July meeting. **Action for EG**

11 Items for funding consultation paper 2022/23

LM asked members to suggest any items to be considered for the autumn funding consultation. She aimed to bring a summary of consultation proposals to the July meeting. It would include the special schools banding review and proposals on early years, in addition to the routine mainstream funding items.

There would be a change of Cabinet member as Julie Iles had lost her seat, so it was not possible to gain a political steer at this point, in particular on whether there would be a request for a transfer of funds to the high needs block.

Kate Keane asked that proposals for de-delegation should include proposals for underspends to be carried forward or refunded to maintained schools.

LM was happy to receive further suggestions for the consultation paper outside the meeting.

12 Looked after children pupil premium

Anwen Foy presented a report on use of the pupil premium plus for looked after children in Surrey, for information. She proposed that there would be an annual report in future. The virtual school had reviewed the use and impact of the pupil premium plus, which had been highlighted by OFSTED in 2018 as an area of concern, and a report presenting the findings from the review had been considered by the virtual school governing board. The Chair noted that this was a very important issue on which colleagues needed to be well informed. The maintained nursery school rep asked for more information on the equivalent arrangements for children below statutory school age and also for children previously looked after. (Contact has since been made to follow this up)

Information on outcomes for looked after children was included in the Virtual School headteacher's annual report to the virtual school governing board. Outcomes were compared to those for children in care nationally.

13 Schools Forum business

The next Schools Forum meeting would be on 8 July and would be held on Teams. Regulations allowed Schools Forum meetings to continue to be virtual indefinitely. There could be a discussion at the next meeting about whether meetings should continue to be virtual. The Chair commented that there were advantages and disadvantages in virtual meetings.

14 Other business

Cabinet member

LM emphasised the commitment Julie Iles had given in regularly attending Schools Forum and taking proposals to Cabinet. The Forum expressed their gratitude to Julie for her work with the Forum and across the council generally.

Laptops for children in care

LM advised that during the pandemic a number of laptops had been distributed to provide access to remote learning for children who would not otherwise have had access. There was a need to consider sustainable funding to support these laptops in future. She suggested a collective arrangement otherwise there could be a lot of administration. Some of these children were within the remit of the virtual school, but others (eg care leavers) were not.

The Chair asked for a paper for the next meeting.

Meeting ended 3.10pm

Date of next meeting Thursday 8 July 2021 1pm, virtual meeting on TEAMS

Information requested on 2020/21 high needs block outturn

2020/21 High Needs Spend	Full Year Budget £000	Full year Outturn £000	Full year Variance £000
Placements			
Non maintained/independent (NMI)	51,886	59,262	7,376
Post 16 specific providers	7,580	6,713	-867
Non Maintained Specialist	5,056	5,168	112
Other Local Authority Specialist	5,755	6,585	830
Children with Disabilities (CWD) and HOPE placements	1,807	1,944	137
Alternative SEN & Personal Budgets	2,587	3,540	953
Individual Support in Schools	22,041	24,330	2,288
Surrey Maintained Special Schools	36,360	37,388	1,029
SEND Services			
Therapies	6,343	6,056	-287
Access to Education	2,279	1,907	-373
Special Early Education	1,219	1,007	-212
Other SEND Services	4,257	3,986	-271
Other SEND Provision (including Pupil referral units, nurture groups, learning support units, nursery SEND)	16,294	16,205	-89
Corporate Costs	2,182	2,182	0
Surrey County Council Provision	165,647	176,273	10,626
Place funding (for Surrey Colleges and Academies)	18,146	18,146	0
Total High Needs DSG	183,793	194,419	10,626
High Needs Dedicated Schools Grant	159,946	159,946	0
Planned Overspend	23,847	23,847	0
Unplanned Overspend	0	10,626	10,626
	183,793	194,419	10,626