

## **Surrey Schools Forum**

### **Minutes of Meeting**

Friday 10 November 2017, 1.30pm at NASUWT, Send

*Approved by the Forum at their meeting on 7 December 2017*

### **Present**

#### **School and academy members:**

Rhona Barnfield (Chair)	Howard of Effingham School	Academy member
Kate Keane (Vice Chair)	Ewell Grove Infant and Nursery School	Primary Head
Joanne Hastings	Ottershaw CE Infant and Junior Schools	Primary Head <sup>1</sup>
Clare McConnell	Bisley C of E Primary Sch	Primary Head
Lynn Tarrant	Shawfield Primary School	Primary Head
Eric Peacock	Thorpe C of E Primary	Primary Governor
Geoffrey Hackett	Stepgates Community Primary	Primary Governor
Fred Greaves	Oakwood School	Secondary governor
Paul Jensen	Sunnydown School	Special school head
	Manor Mead and Walton	Special sch governor
Annette Crozier	Leigh Schools	
Jo Ashworth	NW Surrey SecondaryPRU	PRU member
Roger Blackburn	Queen Eleanor's CE Junior	Academy member
Andrew Carter	South Farnham Primary School	Academy member
Matthew Armstrong-Harris	Rodborough	Academy member
James Malley	Therfield School	Academy member
Ben Bartlett	Hinchley Wood School	Academy member
David Monk	Pond Meadow School	Special academy member

#### **Non school members**

Tamsin Honeybourne	Secretary to Teachers' Joint Committee
Gail Larkin	Teachers' Joint Committee
Joe Dunne	Arundel and Brighton Diocese (RC)
David Izatt	Family Voice Surrey

#### **Local Authority Officers**

Liz Mills (LM)	Assistant Director for Schools and Learning
Lynn McGrady (LMcG)	Head of Finance for Schools (clerk to Forum)
David Green (DG)	Senior Principal Accountant (Schools Funding)

Kerry Randle (Strategic Lead for Vulnerable Learners) and Susie Campbell (QA and Professional Standards Manager) attended to assist with questions on proposals 13a and 13f(iii) within item 5.

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<sup>1</sup> Item 1-5

## **1 Appointment of Chair and Vice Chair**

Rhona Barnfield had been nominated to continue as Chair, and Kate Keane as Vice Chair. Both were unopposed and thus were reappointed without an election.

## **2 Welcome, Introductions and Apologies for Absence**

The Chair welcomed Matthew Armstrong-Harris and James Malley, as new academy members.

Apologies for absence had been received from:

Donna Harwood-Duffy	Dorking Nursery School	Nursery school head
Judith Langley	Kings International College	Secondary Head
Ian Hylan	Tomlinscote School	Academy member
Geoff Wyss	George Abbot School	Academy member
Jayne Dickinson	East Surrey College :	Post 16 provider rep
Sian Bath	Private, voluntary and independent nursery providers	
Nick Trier	Teachers' Joint Committee	
Andrea Collings	Family Voice Surrey (SEN)	

## **3 Declarations of interest**

Andrew Carter: item 5 (split site and minimum per pupil level funding)  
Ben Bartlett, Matthew Armstrong-Harris, David Monk: item 7 (changes to high need places).

## **4 Minutes of previous meeting (29 September 2017) and matters arising**

The minutes of the previous meeting were agreed as accurate. There were no matters arising.

## **5 Surrey Schools funding consultation**

### **Outcome of consultation with schools**

LMcG reported that 209 schools had responded to the LA's school funding consultation, compared to 177 last year. Most of the proposals affected only primary and secondary schools, but primary and secondary colleagues were invited to take into account views expressed by nursery and special sector colleagues in their responses.

The Forum had the right to decide on Q4 (transfer of funding to high needs block) . Q13 ("de-delegation") was a decision for maintained primary and secondary school members. For all other questions the Forum was being asked for recommendations.

### Q1 Do you support a minimum funding guarantee (MFG) of 0%?

(It could be set as low as -1.5%)

This had generally been supported in the consultation.

Q2 Should the DfE minimum per pupil levels be implemented in Surrey?  
Again these had generally been supported in consultation.

Q3 Preferred transitional options for phasing in the national funding formula (NFF)

Three options had been proposed:

- 1/3 NFF+2/3 existing Surrey factors,
- 50% NFF+50% Surrey factors;
- the fastest possible transition (58% NFF). A higher weighting on NFF factors (eg full implementation in 2018/19) was not possible because it would mean the cost of the ceiling deduction would exceed the cost of MFG, which was not permissible under the DfE regulations. The eventual maximum allowable NFF percentage would depend on October 2017 pupil numbers.

Members noted that option 3 (fastest progression) had been the most popular among both primary and secondary schools.

While the Forum had supported steady progression to the NFF at a previous meeting (29 April 2016), that had been before the introduction of the 0% minimum funding guarantee, when protection of schools from (cash) losses had been a major concern.

The Chair reminded special schools representatives that the proposals had no direct impact on them.

Points made by members in discussion included:

- Schools which were historically low funded could be seen as “losing” already;
- Some schools may not have understood the impact of the MFG on the various options;
- The consultation was only advisory, the Forum could reach its own conclusions (and members may be better informed than some individual schools). But it was important that individual schools didn’t think that their views were ignored and that responding to the consultation made no difference;
- Many schools had put a lot of effort into responding and the results should be seen in that context;
- The options were only different ways of reaching the same end result (ie the full NFF, eventually);
- The lower support for option 3 among primary schools may reflect a sense of vulnerability felt by smaller schools.

LMcG confirmed that all schools members were entitled to vote, including special schools representatives, even though they were not directly affected by the mainstream formula.

Q4 Transfer of £3m to high needs block

70% of secondary schools and 50% of primary schools had opposed this proposal.

Members expressed concern that the inclusion of options 4 and 5 re the proposed transfer had not been discussed previously at Schools Forum, and that they had not been given prior warning of its inclusion in the consultation paper. They suggested that this had damaged their credibility as Schools Forum representatives. It was acknowledged that the principle of a transfer at 0.5% had been discussed in conjunction with the pressure on the High Needs Block. LMcG reminded the Forum that she had advised at the previous meeting that the issue had not then been discussed with elected members, because there had not been time to set out the options in more detail before the Forum meeting due to the late release of information by DfE. When, later, elected members had considered the issue, they had wanted to use the consultation to gather evidence on schools' views on such a transfer.

The Chair recalled that, after Cabinet had overruled a Schools Forum recommendation in October 2015, elected members had emphasised that they would discuss their views with Schools Forum members prior to the schools consultation. However, the DfE information had been received too late for elected members to consider it before Schools Forum.

David Monk argued that schools had not been able to form a view on the proposal because no details of high needs block budgets had been provided in the consultation. He urged members to vote against the proposal because of the lack of information presented in the consultation paper and lack of prior discussion at the Forum. The Chair noted his concerns but commented that she would be surprised if many colleagues had been unaware of the high needs block challenges, as they had previously been documented and discussed.

LMcG clarified that if £3m was transferred it would come from the NFF growth funding, ie the increase for mainstream schools would be £11m rather than £14m.

Points made by members in discussion included:

- If the £3m was not transferred, mainstream schools would be able to do more for children with SEN;
- There was simply insufficient funding within the high needs block and this was a national issue not just local;
- If the £3m was pro rata to current high needs block expenditure then £0.6m would go into SEN provision in mainstream schools;
- There was a need to support children with SEN as well as possible in mainstream schools. Payment for ever increasing numbers of specialist placements would simply increase the funding gap;
- The rejection of Schools Forum recommendations (not to transfer funding from schools to high needs) in Oct 2015 had caused "real pain". One member suggested that the Forum's credibility would be at risk if it agreed to another transfer;
- The increase in mainstream funding was recognition of a historic shortfall in mainstream funding.

Special school colleagues commented that they would have liked to be part of the NFF with its £28m growth (when fully implemented)!

LMcG advised that there was some growth in high needs funding (subject to final settlement) as increased pupil numbers in special schools were now funded by DfE, although only at “mainstream” rates. She confirmed that if the £3m transfer were approved, it would be for one year only<sup>2</sup> but would alleviate some of the high needs block pressures.

LM urged members not to let the existence of the different blocks create the impression that high needs pupils were a separate issue; they were all Surrey children. Placing these children in residential placements (outside Surrey) made it more difficult for them to integrate into their local communities. Placement closer to home, with appropriate support, was better but required the necessary support to be available in the local communities.

David Monk asserted that core funding in special schools should be linked to that of mainstream schools with a similar number of classes and should increase in line with increases in the mainstream NFF. He asserted that high needs block funding was adequate but that it was spent in the wrong way, and that in particular too much was spent on support services. He argued that only statutory services should be funded from high needs block, that there needed to be a reduction in support services and that mainstream schools would need to use some of their NFF growth funding to pay for those services. This would largely affect primary schools as they were the main users of the services.

LM reminded the Forum that details of central SEN budgets had been circulated a year ago. Updated information could be circulated if that was helpful. There was a savings plan in progress.

LMcG reminded the Forum that only schools members were entitled to vote on the issue.

#### Q5 Preferred transitional options for phasing in NFF if £3m was transferred to high needs budget

LMcG explained that the Forum needed to consider transitional options to use if the Secretary of State was asked to approve, and did approve, a £3m transfer to high needs.

Only two options had been proposed, because there was no equivalent of option 3 if £3m was transferred to high needs. Option 5 (50% NFF) was the maximum possible progress towards the NFF consistent with rules on the MFG and ceiling (ie that ceiling deduction cannot exceed cost of MFG).

#### Minor changes (largely due to various current factors not being allowed in the full NFF)

#### Q6 Changes to top up funding in SEN centres

The local changes were intended to minimise the impact of NFF funding changes on SEN centres.

This proposal had been generally supported, albeit with many “no views responses (it affected only a small number of schools).

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<sup>2</sup> In that approval could only be requested for one year at a time, and any continuation would require a new request for the following year

Q7 Ceasing the reception uplift factor

This proposal had had majority support.

Q8 Retaining looked after children funding factor but reducing its value

The LAC factor was not included in NFF and the proposal had been to retain it for as long as possible but to reduce the value to reflect the increase in LAC pupil premium. This avoided an increase in funding followed by a reduction a few years later. This had been generally supported.

Q9 Notional SEN funding

Notional SEN funding included deprivation factors. The proposal had been to change the deprivation factors within notional SEN funding in line with the changes in deprivation funding in the main funding formula. The proposal had had majority support.

Q10 Distribution of former confederation funding (primary schools only)

Historically primary schools had agreed to devolve funding direct to school confederations, in order to simplify administration. This would not be allowed in 2018/19 and so the funding would be delegated to individual schools instead. Schools had been asked to choose between delegating on unweighted pupil numbers or on a mixture of pupil numbers, FSM6 and IDACI (which was a closer match to current allocations). 64% of primary schools had supported the latter.

Q11 Delegation of former school improvement combined services funding on pupil numbers, maintaining existing secondary/primary balance

This was the residual former combined services school improvement funding. It had been reduced to £430,000 in 2017/18, but no longer qualified under the combined services powers. The consultation had been about how to delegate it to schools (not whether it should be delegated).

The proposal had been to delegate it maintaining the existing overall secondary/primary funding ratio.

Q12 Redistribution of surplus primary schools' de-delegated contingency

This funding had been previously de-delegated from maintained primary schools to fund exceptional unforeseeable costs. The proposal was to refund the surplus to schools based broadly on the contributions they had made to it.

DG confirmed that the proposal would require Secretary of State's approval as it was outside the range of permitted formula factors. Similar applications had been approved for the last two years but there was no guarantee that a third would be successful. Some members expressed concern at the uncertainty. One suggested that, instead of a refund, future years' "de-delegated" amounts should be reduced (although this would mean that different schools would bear the cost).

DG advised that if the Secretary of State did not approve the application, the funding would have to be delegated through existing formula factors, but the

secondary/primary ratio could be adjusted to ensure that it all went to the primary sector (but not just to those schools which had contributed).<sup>3</sup>

### **Discussion of “de-delegation” proposals**

#### Q13a Specialist behaviour support services (primary only)

LMcG noted that this had had a fair level of support in the consultation responses.

Some members suggested that that support was conditional on the service being reviewed.

LM acknowledged that the service would need to change in future and that any de-delegated service was only a short term option, at least under current government policy . She was keen to co-design a new service together with schools. Staff were aware that the service might cease.

Kate Keane contrasted the 74% support for the behaviour service with the much lower support for interim leadership funds. She suggested that the difference was surprising and might mean lack of understanding of the services on offer.

Another member suggested that the lower level of support for interim leadership funding reflected schools not receiving financial support for that purpose when they saw a need.

#### Q13(b) CAPITA SIMS licences

This proposal had had clear majority support from both primary and secondary sectors.

#### Q13(c) Special staff costs (excluding trade union costs)

Again this had had majority support from both maintained primary (61.9%) and secondary (80%) sectors.

#### Q13(d) Free school meals eligibility checking

Again this had had clear majority support from both primary and secondary sectors.

#### Q13(e) Primary school contingency for exceptional risks

This had had majority support (68%).

Members asked what criteria were applied. It was used sparingly for unforeseeable costs, an example had been legal costs in respect of onerous contracts. It was not used to assist schools which had generally difficult budgets.

#### Q13(f) Additional school improvement support to primary schools

LMcG confirmed that the de-delegated funding had not been used to fund Babcock 4S costs.

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<sup>3</sup> For clarification, the funding remains in Surrey. The question is how it is redistributed to Surrey schools, and not whether it is distributed..

### Interim leadership costs and contribution to LA costs of arranging direct school improvement support (single decision requested on both)

There had been majority support for both from those maintained primary schools expressing a view.

Some funding was needed for management costs in addition to funding to be allocated to schools. LM suggested that the key issue was whether maintained primary schools wanted some funding to be held collectively on behalf of the schools community. While the LA would hold the funding, it would wish to operate in partnership in a system designed together with schools and use of the funding would be part of those partnership decisions. This was not about giving money to the LA but about it being held on behalf of the schools community and distributed in a different way. She saw benefits in such a collective approach. .

Members sought clarity on what schools would actually receive and how.

LM advised that work was under way jointly with schools, phase councils and the teaching schools network to develop a new model. There would be a meeting on 15 December to agree which partners would lead on specific areas. The LA would need to build a core of staff to work on delivery, but not alone.

Points made by members in discussion included:

- Some schools would prefer the funding to be delegated to allow local groups of schools to arrange their own leadership support and this was very effective in some local areas (although it was acknowledged that some schools lacked such local support);
- Academies already held the equivalent funding;
- There was a need for clarity as to what services were being made available to maintained schools ;perceived lack of clarity might lead to reduced support by schools for central funding for those services;
- Some schools were ready to lead the system and groups of headteachers were working hard to get a school led system working. A commitment to fund the system was needed if it was to work.

### Travellers support

This could be a separate decision. It had been included under school improvement for technical reporting reasons.

Susie Campbell recognised that it was important for the LA and schools to work together to ensure that the service had maximum impact. It could be included in the partnership work..

Members asked whether a decision could be deferred until after the December 15 partnership meeting. LM advised that that could be difficult as that would mean deferring the decision until the January meeting of the Forum, and there would need to be consultation on staff redundancies if funding was withdrawn.

### Technical issues on NFF transition: Minimum per pupil funding level (MPPL)

DG reminded the Forum that MPPL funding was additional funding to be allocated to schools whose average per pupil funding otherwise fell below £3,300/primary pupil or £4,600/secondary pupil. In allocating this funding to LAs, DfE excluded rates, rent, and split site funding from the average per pupil funding, but LAs were expected to include those factors in the average when funding schools, thus the average per pupil funding would be higher and the additional MPPL funding less. DG proposed to apply to DfE to exclude rent, rates and split site funding from the calculation of MPPL funding allocated to schools, as non core costs which varied widely across schools. However, he asked the Forum to note that excluding split site funding would benefit only one school, which was represented on the Forum.

### NFF transitional arrangements: Split site funding

DG reminded the Forum that the maximum split site allocation for a detached site was the lump sum which the site could receive as a separate school. Only one school (Cobham Free School) was subject to that limit. Under the proposals already agreed by the Forum (see below) the primary lump sum would be reduced by around £10,000. He asked the Forum whether they supported a reduction in the split site funding ceiling in line with the reduction in lump sum.

### **Decisions and recommendations to Cabinet**

The Forum supported, without a vote unless specified:

- a 0% minimum funding guarantee (Q1);
- implementation of the minimum per pupil funding levels for primary and secondary schools (Q2);
- transitional option 3 (fastest possible progression to NFF), by a clear majority, on a show of hands (Q3);
- transitional option 5 (50% NFF 50% existing factors), by a clear majority, on a show of hands (in the event that a £3m transfer to high needs block is approved by the Secretary of State);
- the proposed changes to SEN centre top up funding (Q6);
- ceasing reception uplift funding (Q7);
- proposed retention of formula funding for looked after children, at a reduced rate (Q8);
- the proposed principles for changes to the level 2 notional SEN budget (Q9);
- the proposed basis for delegation of former confederation funding, to primary schools using a mixture of pupil numbers, FSM6 and IDACI (Q10);
- the delegation of former combined services school improvement funding using pupil numbers but maintaining the existing secondary/primary ratio (Q11);
- the proposed refund of primary school specific contingency (Q12) subject to this sum being delegated to primary schools only if it had to be allocated instead through existing formula factors .
- The proposed basis of calculating MPPL funding to schools, excluding rates, rent and split site funding;

- The reduction in maximum per site split site funding for primary schools (or primary sites) in line with the reduction in lump sum for primary schools.

The Forum voted 7-5 (with 5 abstentions) not to support a transfer of £3m to high needs budget (Q4).

LMcG explained that she would report the decision on the proposed high needs transfer to elected members, who would have to decide whether to accept it or whether to go to the Secretary of State. The Chair noted that the Cabinet could not overturn this decision alone.

Representatives of maintained primary schools approved de-delegation of funding for behaviour support (13a), the primary school specific contingency (13e) and for school improvement services (including traveller services)(13f)

Representatives of maintained primary and secondary schools approved de-delegation of funding from both sectors for:

- CAPITA SIMS licences (13b);
- Special staff costs other than union costs (13c);
- Free school meals eligibility checking (13d).

## **6 Outcome of high needs working group**

A paper was circulated summarising the discussions of the working group, at its meeting on 8 November, on its future role.

LM recalled that the group had initially been established to work with the LA to find £10m of savings for 2017/18. Not all of that saving had been found, but the group had got a long way towards that target.

Further savings of £13m were required for 2018/19 and the scale of savings was such that it would require a fundamental reworking of the way in which services were delivered, involving a wider range of colleagues. Work would need to have regard to other change programmes, such as the transforming care programme (joint with health and social care), the sustainable transformation project, and the wider review of learning difficulties provision across all age groups.

LM recommended that the group continues, to work on delivering sustainable solutions, that a Family Voice representative should be invited to join the group and that ways of involving children and young people, and health and social care partners, in the work should be considered.

One member of the group commented that working towards £10m savings had involved really difficult decisions, and that finding £13m looked impossible without starting again and designing a new service.

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Another Forum member proposed that the recommendation should be changed to “support the purpose of the group”.

The Forum agreed to support the purpose of the group

## **7 High needs places**

DG circulated a paper and explained that the Forum had the right to be consulted over proposals for changes to the number of high needs places commissioned by the LA. The paper covered proposed commissioning of high needs places in academies and colleges, because the LA needed to submit proposals for those to the ESFA by 17 November (two weeks earlier than the equivalent date last year). Proposals for maintained schools did not need to be submitted to the ESFA and thus could be considered later.

Some of the proposed changes were still being discussed with individual providers. In particular, projections for colleges were uncertain because 2017/18 learner numbers had not yet stabilised.

The proposed principles were

- Fund infrastructure growth (mainly Cullum centres);
- Remove places which had been consistently underoccupied, where they were likely to remain underoccupied (but many current vacancies were expected to be filled from September 2018);
- Create additional places where there is capacity and demand;
- Recognise that sometimes the need for stability requires continued funding of vacancies, particularly in small SEN centres and in reorganising schools.

Place funding for any additional places was taken from Surrey's high needs DSG. Places in specialist post 16 providers were outside the scope of the exercise, but top up funding for these providers was still funded from Surrey's DSG and reduced use of those places was likely to generate top up savings far in excess of the additional place funding costs incurred by placing learners in colleges instead.

Two members noted that they had had difficulties in recruiting to fill vacancies in SEN centres.

David Monk reported that some special schools were unhappy with the level of vacancies currently being funded in some other special schools, noting that it cost several hundred £000s. He asserted that vacancy funding should not be used to fund reorganisation costs in special schools.

The Forum approved the proposed principles for determining the number of high needs places.

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## **8 Local funding formula issues**

Already covered under item 5.

## **9 Schools forum issues**

- List of current members

LMcG drew attention to difficulties in recruiting representatives from maintained primary and secondary schools. Any assistance in encouraging interest from these sectors would be appreciated..

Members were also asked to advise if their recorded election dates/expiry of term of office were incorrect.

- Dates of 2018 meetings  
A list of proposed dates had been circulated.
- Items for next meeting – Early Years, Maintained Schools' Levy, Pay & Reward Update, Growing schools, Falling rolls, estimated budget pressures for 2018/19.

**10 Any other business (if agreed by Chair in advance)**

None

**Meeting ended** 3.25pm

**Date of next meeting:** Thursday 7 December 2017, 10am at NASUWT,  
Send (note: morning meeting)