



## Surrey Schools Forum Minutes of Meeting

**Thursday 6 October 2022 1.00pm Virtual Meeting on TEAMS**

Approved by members at their meeting on 8 December 2022

### **Present**

#### **Chair**

Rhona Barnfield                      Howard of Effingham School      Academy member

#### **Joint Vice-Chairs**

Kate Keane                              Ewell Grove Primary                      Primary Head

Justin Price                              Freemantles School                      Special school head

#### **Other school and academy members:**

Zoe Johnson-Walker      The Winston Churchill School      Secondary Head

Geoffrey Hackett                      Burpham Primary                      Primary governor

Steph Neale                              St Pauls Catholic Primary              Primary governor

Fred Greaves                              Oakwood School                      Secondary governor

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

Elaine Cooper                              SWAN academy trust                      Academy member

Jo Hastings                                  Ottershaw Infant and Junior              Academy member

Karyn Hing                                  Westfield School                      Academy member

Paul Kinder                                  Warlingham School                      Academy member

Jack Mayhew                                  Learning partners MAT                      Academy member

Susan Wardlow                                  Reigate School                      Academy member

David Euridge                                  Reigate Valley/Wey Valley              AP academy member

#### **Non-school members**

Sarah Porter                                  Private, voluntary and independent nurseries

Christine Ricketts                                  Post 16 provider

Tamsin Honeybourne                                  Unions: Education Joint Committee

Matthew Rixson                                  Guildford Diocese (Church of England)

Claire Poole                                  Family Voice Surrey

#### **Local Authority Officers**

Liz Mills (LM)                                  Director–Education and Lifelong Learning

Jane Winterbone                                  Assistant Director-Education

Carol Savedra                                  Head of Commissioning (Education)

Sandra Morrison            Assistant Director Inclusion and Additional Needs (SE)  
Jim Nunns                    Assistant Director Inclusion and Additional Needs (NW)  
Emily George                Assistant Director for SEND transformation  
Daniel Peattie               Strategic Finance Business Partner  
Sarah Bryan                  Deputy Strategic Finance Business Partner  
David Green (DG)          Senior Finance Business Partner (Schools Funding)  
Wendy Small, on behalf of West Ashted Primary School, attended to speak on item 6a.

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

Apologies had been received from:

Donna Harwood-Duffy	Dorking Nursery	Maintained nursery head
Clare McConnell	Bisley CE Primary	Primary Head
Paul Jackson	NW secondary PRU	PRU representative
Kerry Oakley	Carrington School	Academy member
Folasadi Afolabi	Unions: Education Joint Committee	

## **2      Declarations of interest for this meeting and register**

The Chair asked that all members should review their entries in the register (or provide declarations where that had not yet been done) before the next meeting.

The Chair and Susan Wardlow declared interests in item 6a (CEOs of academy trusts including schools subject to reductions in PAN). Jo Hastings declared a connection with one such school, Jack Mayhew declared an interest in item 5 as CEO of a MAT including small schools.

## **3      Minutes of previous meeting (28 June 2022)**

### **Accuracy**

The minutes of the previous meeting were agreed as accurate.

### **Matters arising**

There were no matters arising

## **4      DSG overview 2023/24 and update on DfE funding consultations including early years funding**

DG summarised the July DSG announcements. There had been no changes since July, although funding would be updated in the normal way in December for the latest pupil numbers.

### **NFF schools block.**

Surrey's average increase for 2023/24 was 1.8% per pupil. As discussed in the consultation paper, there are relatively low increases in MFG and MPPL in the NFF (0.5%), which explains why the average increase in per pupil funding in Surrey schools is so much lower than the 2.4% increase in formula factors nationally.

### **Central schools services block (CSSB)**

Funding would increase by around 2%, less a further 20% reduction in historic commitments funding.

### **High needs block**

There was a 5% increase in the funding floor. Pupil numbers would be updated in December.

### **Early years**

Allocations for 2023/24 had not been announced yet, but DfE had consulted on changes to the national formula.

One member noted that the 1.8% increase for mainstream schools, plus the block transfer, meant an effective 0.8% increase in funding, describing the situation as "bleak". He believed we still had to comply with the safety valve agreement but noted the increasing financial pressures on schools. The proposals in item 5 needed to be considered in the context of the overall small increase in funding.

## **5 Outcome of Surrey consultation on changes to schools and early years funding for 2023/24**

### **Schools funding**

DG summarised the results of the recent consultation with schools. 114 responses had been received (a much lower response than in the previous year).

All proposals related equally to maintained schools and academies, except those for budget deductions from maintained schools.

The Chair noted the disappointing level of response and that it had been an important opportunity for schools to express their views. Some members thought that schools had been influenced by the illustrations (which had shown little difference between options A and B (Q8)), others thought schools had felt their views were ignored because they had had no opportunity to influence the safety valve agreement.

### **Do you support the transfer of 1% of the schools block allocation to the high needs block in 2023/24, in order to support the implementation of the safety valve agreement which secures additional funding towards the historic high needs deficit? (Consultation Question 7)**

This had been opposed by 61-49 (61-42 among mainstream schools).

The Chair noted that this was not a decision for the Forum

The Chair asked whether there was a possibility of renegotiating the safety valve agreement. LM advised that the agreement required the LA to monitor and report to DfE quarterly. Pressures both on schools and on the high needs block had been flagged as part of quarter 2 monitoring. The LA was not currently renegotiating, but had asked whether the DfE would provide additional funding. DfE had not responded yet. The LA had also written to the new Secretary of State asking him to urgently address the financial situation in schools. The LA was also engaged with the County Councils Network on the national funding formula, on the basis that county schools were less well funded than others.

The Chair noted that many groups were involved in discussions over the financial situation of schools. Any review of safety valve agreements could have an impact beyond Surrey. DP noted that there were 14 such agreements so far.

One member noted that while the safety valve agreement was understood, the agreement contributed to pressures on schools which were causing real hardship and which were affecting Surrey children.

LM advised that pressures on schools had been raised in both quarter 1 and quarter 2 monitoring and the DfE had been asked how they would seek to resolve the issues, eg by additional funding, renegotiating the agreement, or any other suggestion. Surrey had not formally asked to renegotiate. Part of the role of the Forum was to contribute to balancing the DSG. The LA and all other public services were under similar pressures.

Other members commented that:

- This may have been the first time many schools had had the opportunity to comment on the safety valve agreement; their response may reflect their wanting their views to be heard;
- Many schools may have responded simply on the basis of the illustrations supplied (which showed only a very small increase in funding and little difference between options).

One member suggested that some other LAs had already defaulted on their safety valve agreements. LM noted that if Surrey were to do that, the deficit would have to be funded from elsewhere. The DfE was contributing £100m towards the deficit, of which £46m had already been received. Surrey was still on its planned trajectory, whereas other LAs may not be. She accepted that the proposed transfer, and increasing costs, were causing hardship in schools, but urged consideration of the whole context.

The Chair agreed that Schools Forum had not been consulted in advance on the safety valve agreement, but recalled that the safety valve negotiations had had to be conducted in strict confidence. It would have been unsustainable for the high needs deficit to continue to spiral, and the safety valve agreement had been the best way available of bringing the deficit under control.

The Inclusion Innovation Working Group had been charged with finding creative ways of meeting need without continuing increases in EHCP numbers. However, the three identified workstreams were not yet fully active. LM suggested that Schools Forum should take some time to review the work of the workstreams.

LM noted that a significant number of schools had supported the proposed transfer to the high needs block. She suggested that the responses did not suggest a rejection of the principle of the safety valve agreement, but that schools had seen the present terms as unaffordable and had sought additional funding or renegotiation of terms.

The Chair asked that members take back the flavour of the debate to their various networks.

**Which of the two proposals in the consultation paper (A or B) do you think best meets the need of Surrey schools? (Consultation Question 8)**

DFE had increased NFF deprivation formula factors by a higher percentage than other factors, Proposal A maintained that differential, whereas proposal B narrowed it (and thus high deprivation schools gained more under proposal A than under proposal B).

Primary schools had supported proposal B by 39-38, whereas secondary schools had supported proposal A by 12-1. Thus there was an overall majority in favour of proposal A. Several schools had commented that they supported neither option, because they did not support the proposed block transfer.

The Chair noted that Schools Forum normally supported the majority view of schools expressed in the consultation. Members had no questions on the proposal.

**Do you support the proposed “reserve” proposals for MFG and formula factors, in the event that no block transfer is approved? (ie close to full NFF)(Question 9)**

This had been supported by a clear majority in consultation.

DG advised that the LA needed to plan for the possibility that the proposed block transfer would not be approved.

The Chair suggested that it was highly unlikely that the block transfer would not be approved.

**Do you agree that a ceiling on large gains should be used, if necessary in order to manage any increase in the cost of additional needs when October 2022 data is available? (Consultation Question 10)**

This had received clear majority support (note: 82-14). The proposal that any ceiling should be set in such a way as not to disadvantage small schools had also been supported (consultation question 11).

As the ceiling proposals had been supported in consultation, the issue of alternatives to a ceiling was not discussed.

**Do you support increasing the current lump sums in line with the increase in other factor rates, in order to assist small schools? (Consultation Question 13)**

Again there had been clear majority support for the proposal.

**The Forum supported the outcome of the consultation on Q8-13 (ie Q8 (a) and implementation of proposals in Q9 (if necessary), Q10, Q11 and Q13.**

### **School improvement**

Do you support the deduction of £12.65 per pupil/place from maintained schools' budgets (an increase of £6.15/pupil compared to 2022/23) in order to maintain statutory school improvement services to Surrey LA maintained schools? (consultation question 14)

DG advised that this proposal had been supported by 21 maintained schools, and opposed by 31. The proposal was for Schools Forum decision, but the LA had the right of appeal to the Secretary of State. The increased deduction reflected loss of DFE grants, not increased costs.

One member suggested that this question should be taken together with Q15 (additional school improvement), and that schools had supported continuing funding for school improvement, but could not afford the total contribution proposed. Could funding for school improvement be divided differently?

Another member argued that the proposed deduction would cost their school £35,000, from which the school expected to receive no benefit, and that it would undermine schools and mean staffing cuts. The Chair recognised that schools were struggling financially, but noted the responsibility of Schools Forum to consider the needs of schools as a whole.

CS noted that schools' responses suggested concerns that the proposed deduction was too high, rather than opposition in principle. She suggested that the issue could be explored further outside Schools Forum. LM supported looking at both school improvement funding issues together. Not all schools could sustain quality alone and where they did not, there was a high cost to children. There might be scope for a discussion as to what the LA could contribute. DG advised that the Forum could defer a decision until the December meeting, but that this might make it difficult to apply to the Secretary of State (if desired). **Action for Jane Winterbone/Kate Keane/Carol Savedra**

One member asked for it to be recorded that schools' response to the question was an understandable response to the doubling of the requested contribution, following the loss of government grant,

The Chair proposed, and the Forum supported, that the decision should be deferred until December.

Do you support continued deduction of £8.75/pupil from the budget of maintained schools, to fund additional school improvement support such as that described above? (Consultation question 15)

The Forum agreed to defer consideration of this issue, to be discussed further alongside Q14 above.

### **De-delegation**

Proposed de-delegations from maintained primary and secondary schools (consultation question 16)

These proposals were taken together. DG noted clear majority support for all of the proposed de-delegations which were already in place in 2022/23. This was a decision for maintained primary and secondary schools, taken separately.

**The Forum supported the proposed de-delegations without a vote.**

### **Early years funding**

CS reported that there had been 64 responses to the early years consultation (an increase from 51 in the previous year). Most proposals had received overwhelming support.

The proposal for the hourly rates for two year olds was to bring spending into line with funding, where historically it had been overspent. The corresponding proposal for three year olds was to increase the hourly rate by 6p above the DfE increase to reflect historic underspending.

100% of school respondents and 88% of PVI respondents had supported maintaining deprivation funding.

There had been consistent support for maintaining the level of Early Intervention Fund. Some had wanted a further increase.

The proposed 27p/hr increase for state maintained nurseries employing teachers was not an increase in funding but was to replace a previous separate grant which DfE was now including within Early Years DSG. Surrey had proposed that the increase should apply only where a qualified teacher was actually employed. There had still been strong support for the proposal, although some PVIs employing qualified teachers had asked that the supplement should be extended to them. One member saw it as an anomaly that nursery teachers were funded from the early years block, and wanted to know whether there was parity of funding and if not, for the LA to agree that there would be parity of funding for teachers between early years and schools.

DG noted that the 27p was based on an estimate of the grant to be transferred by DfE into DSG, but the final figure would not be known until November.

The Chair suggested that the issue of “parity” was something for the unions to take up with the DfE. The union rep asked for evidence from the LA to support an approach to DfE.

DG noted that if the 27p/hr supplement for teachers was increased, it would mean reductions elsewhere in funding for 3 and 4 year olds.

The proposed central retention of 5% of funding for 3-4 year olds had been supported, but there appeared to be a lack of awareness that it was common practice across LAs.

There had been support for continuing the inclusion fund for 2 year olds. This was small relative to the fund for 3-4 year olds, but had been supplemented by underspends on disability access funding, with DfE approval.

70% of respondents had supported linking the free meals funding rate to the schools NFF rate. PVI providers wanted it extended to them.

The proposed distribution of maintained nursery school supplementary grant had been supported.

**The Forum agreed the proposed central retention of 5% of funding for three and four year olds, by a clear majority.**

## **6 Other schools funding issues: average pupil number disapplication requests and falling rolls issues**

### **a) Pupil number variations**

#### **Schools losing bulge classes**

DG advised that the proposal was to apply to the DfE to vary funded pupil numbers for 14 schools losing bulge classes in July 2023, on the basis that this was a planned reduction which could be anticipated. This was a variation which had been applied for, and approved by DfE, in previous years. The Forum's role was to express a view: the DfE would expect to be advised of the Forum's view.

All schools had been contacted: 9 had agreed or declined to comment, 1 had asked for modifications, 1 was being treated as an objection, 3 no responses.

**The Forum supported the proposal by 15-0 (voting being open to all members).**

#### **School reducing PAN through local realignment**

The proposal was to use average pupil numbers (for the affected year groups) to fund a school losing its year 3 PAN as part of a local reorganisation in which an infant school expanded to primary (ie no overall change in places in the area). The school had been contacted and raised no objections.

**The Forum supported the proposal by 15-0.**

#### **Other schools reducing PAN**

The proposal was to use average pupil numbers (in the affected year groups only) to fund ten schools reducing PAN from September 2023. The Forum had approved similar proposals in previous years, but far fewer schools had been affected. The proposal had generated significant opposition and officers were asking for Schools Forum's views as to whether the proposal should be pursued. Responses from three schools had been shared with Schools Forum members, and one school had asked for a representative to speak at the meeting.

Wendy Small, on behalf of West Ashted Primary School (removing KS2 PAN), recognised the context of the proposal and that similar proposals had been approved previously, but noted the pressure on small schools in the current climate. The school had had very small classes at KS2 and that was unsustainable. The school was dependent on reserves to balance its budget. A previous application to remove the additional KS2 PAN had been declined by the LA due to local need and the extra class would cost the school £200k over the next four years. The Department's



guidance was that there needed to be compelling evidence for a reduction in funded pupil numbers to be approved.

One member noted that several of the schools affected by the proposal appeared to be quite small and that they needed to make the changes as a result of a Surrey wide fall in pupil numbers. She suggested that it was too much for schools to handle the proposed reduction in the proposed time scale. Others argued that;

- the proposals conflicted with the intention of supporting small schools, expressed in previous proposals
- schools reducing PAN were assisting other schools in areas where there was a surplus of places
- the current downturn in pupil numbers was expected to continue for some time
- the proposals could make some schools unviable.

Members asked whether there was scope for spreading reductions over a longer period, or for considering the budget situation at individual schools.

Members also noted the differing impact on maintained schools and academies of the different funding cycles, because October pupil numbers affected the funding of maintained schools from April, but academies from September, thus the proposed changes would cost academies three terms' funding, but maintained schools two.

Susan Wardlow argued that schools reducing PAN were losing for being proactive, and that some schools had been disadvantaged by extra places opening elsewhere. There was effectively a two year lead time for reducing PAN, and schools could not cap the entry year PAN in the meantime.

It was noted that there was no precedent in "disapplication" decisions by DfE, but inevitably any DfE decision, or Schools Forum recommendation, could be seen as one.

LM noted that a growing number of small schools had vacant places and that choices needed to be made.

DG advised that if an application to the DfE was deferred beyond 10 October, DfE might not reply in time for the January Schools Forum meeting, which considered final funding decisions for 2023/24. The Forum was being asked for a view on the proposal, and not to decide on whether or not an application was to be made. Members thought that if an application was to be made, it was better made earlier than later.

Members asked whether there was scope for withdrawing or varying an application if DfE approved it, in order that officers could work with individual schools to work with schools on transitional arrangements.

**Members voted 14-0 against supporting the application to vary pupil numbers for the ten schools reducing PAN.**

**Members voted 15-0 in favour of (unspecified) transitional arrangements should the proposed variations be submitted and approved.**

LM suggested that further discussions on the issue would be useful in forming future policy. She suggested that Primary Council might be involved, perhaps by establishing a subgroup. Members suggested that Schools Planning should also be involved. It was noted that there were likely to be many more schools reducing PAN in the near future. Another member suggested that the impact of current cost of living may affect future pupil numbers.

#### **b Falling rolls fund**

DG recalled that usually Surrey had not supported falling rolls funding for primary schools, not least because it was difficult to identify which falls were short term. But there was a specific case of a school, which was moving to a new site on a new housing development. As such it might suffer a short term loss of pupils because some existing pupils might not move with the school, but should fill the places as the new housing development filled up. The LA saw this as different from the general issue of falling rolls due to demographic changes.

The proposal would affect the 2024/25 budget, not 2023/24, and thus Schools Forum was being asked to support it in principle only.

**The Forum supported the proposed use of falling rolls fund for the school moving sites, in principle.**

#### **7 Mainstream SEN banding review**

CS reminded the Forum that the special schools banding review had been successfully implemented in September and thanked special schools for their support in quite a difficult process. The LA had agreed with DfE to look at the funding levels of those special schools which were outliers.

Work was now in progress on reviewing funding of SEND in mainstream schools. A new banding system had been developed based on need and provision, rather than on notional hours of support. Schools had been concerned that the use of hours of support had led to parental expectation of 1:1 support where that was not appropriate. The new banding system required testing by schools representing all age ranges and types. Members were asked to generate interest from colleagues in the testing process and in the working group (different people could be involved in each). The aim was to test the descriptors on 10% of mainstream schools (36 schools). There would be support for SENCOs in this task. Volunteers should contact CS. **Action for members**

Work on SEN centre funding would be undertaken simultaneously

Currently four bands were proposed, plus a fifth which would be open ended. The funding rates were in draft at present (currently £1,512 band M1, £3,152 band M2, £5,576 band M3, £7,515 band M4, £10,424+ for band M5). There will be detailed band descriptors for each band. Descriptors and band values would be refined as a result of testing.

Implementation was planned over two years, first in secondary schools, with pupils mapped to the nearest banding to their existing funding, and then reviewed at key

stage transfer or, if necessary, at annual review. In the second year, the same would be done in primary schools.

CS argued that the implementation should cost the same (as now) overall.

Members noted that communications with parents were vital in implementation. Members welcomed anything which might support more Surrey pupils being educated in Surrey.

One member noted that many LAs already operated banding systems, and hoped that Surrey had learned from those.

CS was happy to attend Primary Council to provide further information.

## **8 Special schools inflation funding (including PRUs)**

DG noted that the Forum had supported a proposal to use £1m of reserves to provide additional one-off inflation funding to special schools and pupil referral units. The special school headteacher working group had now met and had agreed that the £1m should be distributed pro rata to estimated costs based on schools' returns, less the first 2%, which was deemed to be included in previous inflation funding. A few data queries remained outstanding, but DG hoped that the allocations could be made in October.

The AP academy rep asked for an explanation of why PRUs had not received the initial 2.5% inflation allocation given to special schools. LM noted that PRUs would receive the extra inflation funding which was the subject of this item, but that there was a discussion to be had over basic inflation for that sector.

LM had committed that special schools and PRUs would be advised of their 2023/24 inflation allocations by the end of January 2023.

## **9 Schools Forum business**

Election of Chair and two Vice-Chairs for the year starting December 2022

Nominations to David Green by 18 November please.

The current Chair and Vice-Chairs were all willing to stand again.

Dates of meetings for 2023

Not yet available but likely to follow the same general pattern as in 2022. The Chair asked that there could be more variation in the days of the week.

Next meeting: 8 December 2022, probably on Teams

Agenda to include growing schools fund, centrally managed DSG/central services levy, alternative provision/pupil referral units

Inclusion innovation fund working group work to be reviewed at the spring meeting.

## **10 Any other business**

None

**Meeting ended 3.55pm**

**Date of next meeting** Thursday 8 December 2022 1pm, venue TBC