

Minutes of Meeting

Tuesday 10 December 1.00pm at NASUWT, Send
Approved by the Forum at its meeting on 15 Jan 2020

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
Sally Cave	Guildford Children's Centre	Nursery school head
Katie Aldred	Bagshot Infant	Primary head
Clare McConnell	Bisley CE (A) Primary	Primary head
Justin Price	Freemantles School	Special school head
Geoffrey Hackett	Stepgates Community Primary	Primary Governor
Eric Peacock	Thorpe C of E Primary	Primary Governor
Fred Greaves	Oakwood School	Secondary governor
Lisa Kent	Manor Mead and Walton Leigh Schools	Special governor
Matthew Armstrong-Harris	Rodborough	Academy member
Ben Bartlett	Hinchley Wood School	Academy member
Sir Andrew Carter	South Farnham Primary	Academy member
Elaine Cooper	SWAN academy trust	Academy member
Ruth Murton	Thamesmead School	Academy member
Tim Stokes	Carwarden House Community School	Special academy member

Non school members

Andrea Collings	Family Voice Surrey
Jonathan Gambier	Guildford Diocese (C of E)
Joe Dunne	RC Diocese of Arundel and Brighton
Tamsin Honeybourne	Teaching union member of Education Joint Committee

Local Authority Officers

Liz Mills (LM)	Director–Education, Lifelong Learning & Culture
Louise Lawson	Deputy Strategic Finance Business Partner (ELLC)
David Green (DG)	Senior Finance Business Partner (Schools Funding)

Julie Smyth and Paul Smith (HR) attended to present item 8.

1 Appointment of Chair and Vice Chair

DG reported that there had been only one nomination for each position, therefore:

Rhona Barnfield was re-appointed Chair

Kate Keane was re-appointed Vice Chair

Justin Price was appointed second Vice Chair.

2 Welcome, Introductions and Apologies for Absence

Apologies for absence had been received from:

Susan Chrysanthou	Furzefield Primary	Primary head
Jo Luhman	Kings International College	Secondary head
David Euridge	Reigate Valley and other PRUs	PRU member
Kate Carriett	George Abbot School	Academy member
Paul Kinder	Warlingham School	Academy member (new member)
Sian Bath	Private, voluntary & independent nursery providers	
Jayne Dickinson	East Surrey College	(Post 16 provider)
Nick Trier	Teaching union member of Education Joint Cttee	

3 Declarations of interest

Jonathan Gambier: item 6a (Guildford Diocese is contracted SACRE provider).

Ruth Murton: involved with SAFE, which provides governor support to schools.

4 Minutes of previous meeting (14 November 2019) and matters arising

Accuracy

Add that LM had said that no reduction from the mandatory minimum per pupil level funding rates would be requested. (Minutes now amended).

Matters arising

There were no matters arising but an item of other business (requested by Ben Bartlett) was taken here.

Other business: Schools block transfer disapplication requests

The Chair advised that this item should be taken after matters arising because it could affect discussions on later items.

Ben Bartlett (BB) gave a presentation comparing information presented by the LA to the Schools Forum, to the Cabinet and to the Secretary of State in respect of the proposed transfer of funding from schools block to the high needs block.

LM reminded Forum members that officers had made it clear that the LA could, and was likely to, appeal against a refusal by Forum to agree the requested transfer to high needs block. Consultation with schools and the Schools Forum was necessary before an appeal (or disapplication request) was submitted. The disapplication request included the Forum's views (via the minutes) and the LA position. The Secretary of State could look at both and could decide either way. The appeal had been submitted in anticipation of Cabinet approval because the Cabinet meeting had not yet been held. Cabinet consideration of the issues had been delayed to December due to the late availability of information from DfE. LM stated that the 28 November deadline only applied to LA submissions, and a DfE decision on the appeal was not expected imminently, so there was plenty of time for Forum to express its views.

BB argued that the LA had not presented the evidence in a balanced way in the appeal, and wanted the opportunity to show how the evidence could be presented from a schools' perspective. LM recognised that there was a difference of views, but it was the LA's appeal. The Forum minutes had been included with the appeal in order to show the views of the Forum.

BB stated that the delay in the sharing of the Council's submission despite repeated requests to do so (Slides 3 and 4) had made presentation of the views of the Forum more difficult.

BB agreed that there was no factual inaccuracy in the Council's submission but articulated that the local authority could have drawn the conclusions and inferences differently.

BB quoted an exchange at secondary phase council where a senior officer had responded that he "understood the pressures on school budgets and confirmed that the 0.5% transfer from Schools Block to the High Needs Block would be returned to the schools budget in the event of significant additional funds being given to the High Needs Budget as part of any Spending Review...while illustrations given to our Schools Forum have shown £3m transferring to the high needs block annually, clearly we would review that should significant further additional high needs funding be made available by government."

LM noted the point, but she also noted that the additional funding available was insufficient to meet costs and that the future of the high needs block deficit also had to be considered. She could not be specific as to what would be a sufficiently significant increase in funding for no transfer request to be made.

BB noted that officers had recommended that the Cabinet should appeal to the Secretary of State. He asked that a number of points be drawn to Cabinet members' attention:

- That the £26m increase in schools funding (if £3.3m was transferred to high needs block) was a 3.9% increase, whereas a £12.3m increase in high needs block was a 7.6% increase;
- That while all schools would receive a minimum 1.84% increase, that could reasonably be seen as a real terms reduction.

BB noted the series of transfers from schools funding to the high needs block over the last few years (as set out in the consultation paper). He pointed out to Forum members the discrepancy in how those figures had been presented in the October 2019 Schools Consultation paper (Slide 10) as opposed to the November cabinet paper (slide 9).

Another member noted the year end transfers of schools block underspend and asked how in future the schools budget could be set to avoid large underspends.

LM noted that the 2018/19 underspend of £10m on schools (£2m) and early years (£8m) had been held separately in reserve and that neither sum had been offset against the high needs overspend. Other 2018/19 underspends had been recycled to schools, so the £10m could have been a higher figure.

Recent recommendations of Forum had reduced the scope for future underspends (on schools and early years). Officers were not yet in a position to know whether there would be a significant schools block underspend in 2019/20. The early years underspend in 2019/20 was likely to be lower than in 2018/19.

BB asked for clarification of the equalities impact of the transfer to high needs if the MPPL was not reduced and for an explanation to be added to the equalities impact assessment (EIA) for the Cabinet report, as the recommendation to Cabinet was not to reduce the MPPL. LM advised that this issue had been covered in the body of the EIA.

BB noted that the LA's recovery plan relied on continuing transfers from schools block. LM responded that the LA had been clear (with Forum) about the assumptions in the plan. The recovery plan was challenging and had risks, given the current net 13% annual increase in EHCPs.

The next step was for the Cabinet to decide whether to approve the disapplication request to DfE. Last year the DfE's response had been late (21 February) LM thought it unlikely that the LA would receive a response before mid January¹, unless DfE adopted a blanket political stance (ie to all such applications).

BB asked that a protocol was agreed for making Cabinet members more aware of the Forum's position, should a similar disapplication be considered for 2021/22, eg for Forum members to explain directly to Cabinet members why the Forum did not support a transfer. LM noted that Julie Iles (Cabinet member for all age learning) intended to be at the Forum so that the discussion could be had there. BB wanted Forum members to engage with the whole Cabinet. He wanted to see Cabinet members as a whole pushing for more government funding for the high needs block. He also wanted agreement that representatives of the Schools Forum would have prior sight of the relevant Cabinet report and disapplication requests.

The Chair and Vice Chair would look at a cross phase group to suggest a protocol for the development of this matter in partnership with the LA. **Action for Chair and Vice Chair**

The Vice Chair asked that when considering the block transfer request, other proposals affecting the Schools Block should also be considered ie items 8 and 10.

LM would share BB's slides with all Cabinet members so that they were able to take into account the information within the presentation with regard to the upcoming Cabinet decision. The slides would be circulated with the minutes. **Actions for LM/DG**

¹ The importance of mid January is that proposed school budgets must be submitted to the DfE by 21 January.

5 Updates on school funding consultation, national issues (if any) and SCC cabinet report

DG advised that the early years consultation data circulated at the 14 November meeting had not included state maintained school responses. A revised set of data was circulated including that data. There was no material impact on the recommendations. The Cabinet had been given the revised version.

Two further school responses to the main consultation had been missed in the Schools forum papers due to IT issues. Again this had no significant impact on the results².

There had been no further information from DfE.

6 Approval of centrally managed schools block expenditure for 2020/21

a Central schools services block expenditure for 2020/21

DG asked the Forum to approve proposed expenditure from the central schools services block. This was funding from a separate DSG block which had never been delegated to schools. The amount requested was the same as in 2019/20. No inflation had been provided for these services.

DG noted two corrections needed to the paper: total of proposed expenditure in 2020/21 was £5.141m (not £5.120m) and the reference to reducing admissions funding should be deleted (it referred to the previous year).

The Forum agreed the proposed central schools services block expenditure without a vote.

b Approval of the “central services levy”

DG reminded the Forum that this was a deduction from maintained schools’ budgets, to fund statutory services (which could not be traded) for maintained schools only. He sought approval for a deduction of £35.98/pupil (the same rate as in 2019/20).

Ruth Murton advised that not all of the services listed under governor services were actually statutory (in particular clerks’ briefings), and that some were not currently being provided (including recruitment of advanced skills governors).

LM noted that a new governor services contractor (Cognus) had been appointed from 1 April 2019. The contract was a one year contract with scope for a one year extension. Currently it was being reviewed with colleagues in SAFE. This review would influence what was provided in 2020/21.

LM confirmed that statutory moderation of key stage assessments included key stage 1. This work was now undertaken by Surrey staff. Surrey no longer had any contract with Strictly Education 4s (as successor to Babcock4S).

² Noted because, as a result, the number of responses reported to Cabinet was 168, as opposed to 166 reported to Schools Forum.

DG advised that both 2019/20 and 2020/21 costs were estimates. In some cases 2020/21 costs were higher than those estimated in 2019/20, where savings estimated for 2019/20 had not been achievable. Estimates for 2019/20 had been particularly uncertain because much of the work had previously been undertaken by Babcock4S.

Members asked whether there should be further savings (eg in HR) if the number of maintained schools was reduced. LM advised that the HR work involved was “infrastructure” rather than casework³.

LM thought the large reduction in proposed finance costs to be sustainable given the recent restructure.

Officers would be happy to report on the outturn in due course.

The 9 maintained school representatives present agreed the proposal, subject to amendments to the wording concerning governor services (see annex)

7 Approval of growing schools criteria and budget

DG asked the Forum to approve the proposed growing schools budget and criteria. The proposed criteria were unchanged from 2019/20.

The paper had reported estimated DfE growth funding of £5.176m. Now that Oct 2019 pupil numbers were known, DG thought the figure would be £300k higher. This left a reduced shortfall. At the previous meeting the Forum had supported the proposal that any shortfall could be met from the main NFF block.

DG advised that, as the decision affected the funding available for the main funding formula, only schools, academies and early years reps should vote.

School/academy members of the Forum agreed the proposed growing schools budget and criteria without a vote.

8 Surrey support staff pay award 2020/21

Paul Smith and Julie Smyth presented this item.

Paul recalled that in 2019/20 the council had put in place spot salaries for PS1/2 grades, and fixed scale points and progression for other grades. An annual cost of living increase had been proposed, having regard to the national settlement for local government staff. The workplace relocation grant was being reviewed, linked to the proposed move of County Hall, but the review would have limited impact on schools.

Teachers had been given a 2.75% pay increase from Sept 2019 and public sector pay was expected to increase by 2-3% over the next 12 months. The national local government increase was expected to be around 2% but would not be known until mid 2020.

³ Eg policy development, which did not depend directly on the number of maintained schools

The Chair noted that the Sept 2020 teachers' pay award was unknown, but that the Secretary of State had written to the STRB proposing a differentiated approach to teachers' pay increases from Sept 2020.

For 2020/21 the council had proposed to unions for support staff pay:

- A 2% cost of living increase;
- Increased annual leave entitlement (26 days from appointment, 28 days from year 2 and 30 days from year 5);
- Aligning apprentice pay rates to Surrey support staff grades (which meant significant increases for level 2 and 3 apprentices in particular)

The majority of support staff in schools were on term time only contracts and it was not currently proposed to extend the leave changes to schools. If schools were included, the term time staff multiplier would be affected and therefore there would be an additional cost to schools. There had been some pressure from unions and school bursars to include schools.

One member noted that the 2019/20 changes had had a disproportionate impact on special schools, and that in 2020/21 the impact of incremental progression on special schools was huge, because so many staff had been on the lowest point as incremental progression had been suppressed for so long. The cost of incremental progression was similar to the impact of the cost of living increase. Paul replied that the incremental progression had been agreed as part of the 2019/20 settlement (ie it was not now under negotiation). Members noted that the cost of increments was significant for other sectors too (not just special).

One member noted that the proposals created difficulties for schools with family centres if school staff did not benefit from the leave changes.

Members noted that there had been an additional DfE grant to meet part of the cost of the 2.75% increase for teachers. They asked whether Surrey would provide additional funding for the support staff pay increase. LM recognised that the changes created pressure on schools, but confirmed that no additional funding would be available.

Members asked whether consideration had been given to not having fixed intermediate pay points for support staff (as they were optional for teachers) Paul thought that in fact most schools used fixed points for teachers.

Members agreed that staff deserved the increases but thought they were not sustainable for schools.

Members suggested that the relevant Executive Director should meet with Phase councils to discuss the impact of the proposed pay increases on schools. LM suggested that the Forum could request this. Paul would report back to CLT and make the request. **Action for Paul Smith.** The final decision would be made by People, Performance and Development committee (PPDC), which is chaired by the Leader, on 12 February. Thus there was plenty of opportunity for schools to feed in views. Consultation with unions would end in mid January.

One member expressed frustration that the proposals had been shared just after schools had submitted their draft budgets. Another argued that the proposals made it impossible to submit draft budgets.

Paul accepted that the overall cost of the proposals was challenging, but argued that keeping pace with rates of pay elsewhere was essential if the council was to recruit and retain staff.

At this point the Chair intervened in the debate which had become too heated, in her opinion. She asked for comments to be made through the Chair and not directly between participants and to reduce the evident emotion in the contributions.

LM noted that all parts of the public service were under pressure. There could be scope to provide some assistance with the cost (eg by changing band funding for special schools, as last year). But pay increases could not be avoided.

Members also noted:

- That the combination of incremental progression and cost of living was equivalent to a 4% increase and the impact of this on schools needed to be recognised;
- Significant HR work would be needed in schools to manage restructures in order to manage costs;
- IPSB funding did not reflect increased staff costs;
- Although EHCPs were written in terms of hours, funding didn't cover the identified number of hours;
- Although academies were not legally required to follow Surrey Pay, they operated in the same market places and thus in practice they needed to match Surrey Pay;
- Some special schools might reconsider the pupils they can accommodate as a result of the changes.

LM advised that a review of special schools funding was being considered, and capacity was available to deliver the review. This would look at the cost base and operating model of special schools, including the use of IPSB. She saw the current special school funding system as outdated.

The impact of the proposed pay changes on schools would be factored into the consultation.

Paul noted that the current leave proposal was to increase leave only for those staff who actually took leave, which excluded most school staff. Unions had argued that it should also apply to school staff. A union rep present argued that this was an equal pay issue as holiday pay was part of the employment package. Another member argued that it was unfair for term time only staff not to benefit. Schools had had to afford other pay changes. Another member noted that family centres, attached to schools, had many staff on 52 week contracts. On balance forum members agreed that the increase in leave should be for all staff.

Paul hoped that formal consultation could start in the week of 16 December, following a union meeting on that date, and would conclude on 15 January.

The formal consultation document would normally go to business managers He asked that schools respond by 15 January. The proposed collective agreement would then be considered by PPDC on 12 February.

Members asked for the consultation to be sent to academy headteachers and also to all members of the Forum. **Action for Paul Smith.**

One member suggested that there was a need to review what could realistically be done with the funding available to schools, and in particular the costing of EHCPs . Another suggested that lack of funding in schools was inhibiting progress on the SEND strategy

9 Special schools funding

Justin Price argued that headteachers saw the proposed 1.84% increase for special schools as discriminatory and that special schools phase council had seen a 4% increase as an equalities issue. Only mainstream schools already funded above NFF received a 1.84% increase. Other schools get an average of 4% He argued that a 1.84% increase came nowhere near to meeting costs, and that the impact was that some pupils would need to be moved to NMI schools. He saw this as short termism by the LA.

Another special school head argued that a 1.84% increase left the school 3-4% worse off than in 2019/20, and that the school was struggling to make provision good enough for children who had already had a poor start.

Another member questioned the funding of some additional places in special schools over PAN at £6,000 each rather than £10,000 each, and the mechanism for agreeing additional funding for pupils in special schools. LM would look at this with finance colleagues. **Action for LM.**

Justin Price argued that in 2020/21 the LA would have £2.2m more HNB funding than it had originally budgeted for, and that the LA should invest some of this in special schools to enable those schools to support the SEND transformation.

LM noted that even the proposed 1.84% increase meant a £1m increase in high needs pressures. The funding bases for schools and HNB were different but there wasn't sufficient funding for either.

Justin Price argued that the council could fund a 4% increase if it chose, even if that meant pushing up the high needs block deficit

Justin Price also asked that full funding should be provided for outreach. LM advised that current funding levels for outreach would be maintained until summer 2020, unless providers advised that they wished to cease providing before that date. Carol Savedra was leading on a review of outreach

LM suggested that a review was the only way to rebuild confidence in the funding of special schools. The most recent review had not been completed because most of the LA staff involved with it had left LM aimed to implement a review by agreement by Sept 2020.

Additionally reviews were being undertaken of alternative provision (led by David Euridge) and on the alternative learning programme (SALP) led by Ben Bartlett. LM thought the alternative provision offer needed to be remodelled. She hoped to take a strategy proposal to Cabinet in the new year.

LM advised that no increase in funding rates had yet been proposed for SEN centres or PRUs. One member argued that centres were now accommodating pupils who would previously have been in special schools. She also argued that heads of schools with SEN centres ought to be represented on special schools phase council, in order to be involved in funding discussions. However, that was a matter for special schools phase council to consider.

Action: Chair of Forum to contact Chairs of Special Schools Phase Council

LM would look at whether changes were needed in funding for SEN centres in maintained nursery schools.

Ben Bartlett asked whether Surrey was unusual in using its HNB growth funding of £12.2m to reduce the forecast cumulative high needs deficit.

Members recalled that managing the number of NMI school placements was key to managing the high needs budget, and that targeted milestones had been set for reductions. They asked for an update on NMI placements on the next agenda. LM suggested that this would show reduced unit costs but not an overall reduction in placements. **Action for LM**

Currently NMI placements were still being used because of shortfalls in state provision

The Chair asked for the cost of a 4% increase in special schools funding.

Action LM/DG

The Chair suggested that if special schools were unable to retain their pupils there could be unintended consequences.

LM argued that a 4% increase for all special schools wasn't necessarily the right answer. Individual mainstream schools were receiving a range of increases and the funding distribution across special schools wasn't necessarily right at present. It could be difficult to analyse costs in special academies. She asked the Forum to encourage colleagues to be open in sharing information with regard to their current balances, income and costs.

The Chair summarised that the Forum did not support the proposals for a 1.84% average increase in special school funding.

10 Additional SEN funding for mainstream schools

LM noted that the Cabinet had been asked to agree to delegate a decision on this funding (for 2020/21). The paper for this meeting proposed some options. She suggested that these should be seen as transitional options and that a smaller group should look at the longer term future of this funding.

This funding was meant to support a minority of schools. Funding depended on the number of EHCPs in individual schools. £900k was the estimated cost

of supporting 20% of schools. When the reduction was proposed, the budget was supporting 40% of schools. Some sort of cap on funding was needed in order to contain the budget

One member argued that the £6,000 EHCP threshold no longer represented 13 hrs (she estimated 13hrs at PS3 cost £6,972). DG advised that the £6,000 threshold was a national requirement, but converting it into hours was a local issue. LM agreed that the interpretation of the threshold should be reviewed.

Another member argued for a review of how much notional SEN funding was left for pupils with SEN but not with EHCPs. Notional SEN funding was not only for pupils with EHCPs.

Another member argued that a reduction in funding was being proposed without consideration of the impact on the children it supported.

LM suggested that other LAs might have models for additional SEN funding which we could learn from. The current method was distributing a significant sum from the high needs block. She had a list of schools currently receiving the funding and had doubts over its effectiveness. She saw it as a legacy system which needed review and which only recognised the financial impact on schools. Members asked whether the mechanism needed to be changed just because some schools were not using the funding effectively.

The Chair suggested that the current method created perverse incentives to seek EHCPs, and that there needed to be a deeper investigation of what the funding was supposed to achieve, prior to 2021/22 as the timeframe for revisions to 2020/21 had already been missed.

LM sought the Forum's preferences for 2020/21. She agreed that the funding needed to be part of a wider funding review.

Members made the following points:

- The system needed to be as simple as possible
- Basing the calculation only on October EHCP data would disadvantage schools with very young children
- The level of funding for EHCPs required review.

LM noted the need to fast track young children for EHCPs where they obviously needed EHCPs, More early intervention was needed as part of the SEN strategy. Funding for early years SEND had been increased but there was a need for more work in the area.

ACTION: Chair to nominate a small working group of Forum Members to progress the development of the proposals.

11 Schools Forum issues

Next meeting: Wednesday 15 January 2020, **1pm at Guildford Nursery School and Family Centre**

To include: Final decisions on 2020/21 DSG and funding formula

12 Any other business

There was no other business apart from that already covered above.

Meeting ended 4.05pm

Annex

Item 6b Revised text of governor support services included in the services funded by the “central services levy”

- SCC fulfils its statutory obligations with regard to the governance of its maintained schools. Surrey governing bodies operate effectively and individual governors have the opportunity to be well informed of their roles and responsibilities.
- An accurate Surrey governor database is maintained.
- Chairs of Governors, individual members of governing bodies and clerks of SCC maintained schools have access to up to date guidance and support via Governor Update, website, helpdesk, email alerts and access to training and development opportunities.
- Two Chairs of Governors liaison and briefing meetings are provided per term,
- Additional Skills Governors are recruited, trained, and deployed to schools