

Surrey Schools Forum

Minutes of Meeting

Thursday 30 April.1.00pm Virtual Meeting on ZOOM (due to COVID 19)
Approved by members at their virtual meeting on 9 July 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
Susan Chrysanthou	Furzeffield Primary	Primary head
Clare McConnell	Bisley CE (A) Primary	Primary head
Justin Price	Freemantles School	Special school head
David Euridge	Reigate Valley and other PRUs	PRU member
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
Ben Bartlett	Hinchley Wood School	Academy member
Kate Carriett	George Abbot School	Academy member
Sir Andrew Carter	South Farnham Primary	Academy member
Elaine Cooper	SWAN academy trust	Academy member
Gavin Dutton	Pirbright School	Academy member
Jo Hastings	Ottershaw Infant and Junior Schools	Academy member
Paul Kinder	Warlingham School	Academy member
Ruth Murton	Thamesmead School	Academy member
Tim Stokes	Carwarden House Community School	Special academy member

Non-school members

Sian Bath	Private, voluntary & independent nursery providers
Andrea Collings	Family Voice Surrey
Joe Dunne	RC Diocese of Arundel and Brighton
Jonathan Gambier	Guildford Diocese (C of E)
Tamsin Honeybourne	Teaching union member of Education Joint Committee
Nick Trier	Teaching union member of Education Joint Cttee

Cabinet member for All Age Learning Julie Iles

Local Authority Officers

Liz Mills (LM)	Director–Education, Lifelong Learning & Culture
Eamonn Gilbert(EG)	Assistant Director (Commissioning)

Carol Savedra (CS)	Head of Commissioning-SEND, Education and Corporate Parenting
Jane Winterbone (JW)	Assistant Director (Education)
Louise Lawson(LL)	Deputy Strategic Finance Business Partner (ELLC)
David Green (DG)	Senior Finance Business Partner (Schools Funding)

1 Welcome, Introductions and Apologies for Absence

Apologies for absence had been received from:

Katie Aldred	Bagshot Infant	Primary head
Matthew Armstrong-Harris	Rodborough	Academy member

2 Declarations of interest

None

3 Minutes of previous meeting (15 January 2020) and matters arising

Accuracy

The minutes of the previous meeting were agreed as accurate.

Matters arising

Protocol on disapplication requests (page 2)

LM advised that officers were developing such a protocol and would bring it to a subsequent meeting.

Ben Bartlett asked whether officers knew whether the DfE had turned down all block transfer requests. Officers understood that not all had been turned down, but had no further details of numbers or criteria.

4 Dedicated Schools Grant (DSG) outturn 2019/20

DG reported that there had been an in year deficit of £23.5m, leading to a cumulative deficit of £31.3m. The in-year high needs block deficit had been £30m, partly offset by a surplus of £6.5m on other blocks. The cumulative deficit on high needs block was now £48.8m.

DG advised that the DfE had changed the schools funding regulations, so that LAs now had to carry forward DSG deficits to be met from future Dedicated Schools Grant allocations, unless the Secretary of State specifically allowed the use of other funding. Schools Forum approval was no longer needed to meet previous year deficits from current year DSG. The regulations did not specifically cover the use of surpluses on one DSG block to offset deficits on another. DfE expected to work with LAs with significant DSG deficits, and might impose additional conditions on them, eg changes in local SEN policy and practice, management changes or sign off of budget plans by DfE.

One member asked whether the LA would be proposing further transfers between DSG blocks, arguing that the principle should still be discussed by the Forum. LM proposed a discussion at the next meeting. DfE had not yet

advised whether Surrey needed to prepare a formal recovery plan. The high needs deficit and surpluses on other blocks were held separately on the balance sheet and the surpluses had not been applied to offset the high needs deficit. She was seeking further information from DfE on processes. The member asked whether the uncertainty over the DfE position meant that decisions on use of the Schools Block surplus could not yet be made (eg using some of the schools block surplus to increase funding for special schools). LM was happy to take views from the Forum as to whether surpluses in one area might be used to benefit another area, but warned that using one off surpluses to increase special school funding might create difficulties in future years

Schools block

DG reported an in year underspend of £3.8m, of which the main components were

- £0.740m underspend on rates adjustments and other impacts of academy conversions (some related to previous years);
- £0.986m previous year underspend added to 2019/20 budget as contingency but not used;
- £1.184m underspend on growing schools (of which £0.962m had been brought forward from the previous year. The growing schools budget had been reduced by £1.5m in 2020/21;
- £0.352m underspend on falling rolls fund, where funding had been held for the calculation to be reworked in year based on actual Oct 2019 pupil numbers. Only one school had justified an allocation on that basis;
- “De-delegated” contingency underspend of £0.252m (this was normally carried forward for the same purpose);
- Local learning fund underspend of £0.371m;
- Various small overspends on “de-delegated” services.

DG would review the reported outturn on the intervention fund. **Action for DG**

Additionally an underspend of £1.904m from previous years had been held outside the 2019/20 budget (and thus not spent).

Central schools services block (CSSB)

DG reported a small overall overspend. One member asked for further information on the overspend on overheads. **Action for DG**

The underspend on admissions was due to income, as some of their work was traded.

Members asked for the variations to be expressed as a percentage of budget (Included as annex).

Early years

Funding for 3-4 year olds had been underspent by £2.8m, this reflected the balance between January census numbers (on which Surrey was funded) and termly average numbers (on which Surrey funded providers). This was in addition to an £8m underspend brought forward. An increase in inclusion fund allocations in 2020/21 should mean a lower in- year underspend in 2020/21.

Members commented that large underspends on early years block had occurred annually and suggested that providers were struggling. CS noted that in 2020/21 the allocation to inclusion fund had been increased, thus targeting the most disadvantaged children and those with SEND.

CS noted that for some LAs the termly average count was actually higher than the January count. Surrey's situation was different from many other LAs because of the socio economic context. Adjustments had been made (eg reducing contingency) but had not been sufficient.

The PVI rep suggested that Surrey generally did a good job in supporting providers compared to many LAs, but that providers were struggling with the level of the basic rate. She sought an increase in rates or a year end adjustment.

LM was very conscious of the impact of current closures on providers. She suggested some of the underspend might be used to assist providers in difficulties. For example children of critical workers, and vulnerable children, attending a different provider from normal, were double funded¹, and lump sum payments had been made to providers who had stayed open over Easter.

High needs block

LL reported that the high needs block outturn was an overspend of £30m, compared to the previous estimated overspend of £29m. The main overspend was on external placements (£4.4m on a total spend of £61m), where growth in numbers had been 17% against an estimated 13%. There had been underspends of

- * £1.1m on individual support (IPSB) (total spend £22m) where growth had been below estimate;
- * £1.4m on SEN support services (total spend of £12m) due to vacancies following service restructure;
- * £0.7m on residential provision in Surrey special schools (including impact of closure of residential provision at one school).

One member asked whether higher spending on IPSB might have reduced the need to place pupils in NMI schools, suggesting that pupils were being placed in NMI schools who could have been placed in Surrey schools, had more support been available. LM advised that the underspend was simply a variance from planning assumptions; IPSB funding had not been withheld from individual pupils. Support and intervention were still priorities. Analysis of SEN2 data showed differing growth across need types.

Members expressed concern at the level of staff vacancies in speech and language therapy. LM noted that there had been recruitment difficulties, and a 12% vacancy rate, but the service was aiming to fill every post and had recently seen an increase in quality applications. Currently therapy was being delivered differently (through technology) because of school closures. One member asked whether remote delivery could be extended in future, in order to reduce travel time and to allow more pupils to receive services.

¹ In that they were funded at the new provider while still being funded at the old

LM thought joint commissioning would aid recruitment, as there was an element of competition at present between the LA and the NHS.

One member asked whether the growth in NMI placements could be linked to the LA not being able to provide SEND support in maintained schools. LM advised that the service was making efforts to recruit and was aiming to fill every vacancy.

LM confirmed that the LA strategy was still to increase the number of places in state special schools, and that it was still seeking to deliver additional places for September 2020, despite the impact of COVID 19.

LM agreed to provide a breakdown of the underspend on SEN support services with the minutes. (Attached as annex)

Ben Bartlett asked for consideration of use of some of the underspends on other blocks to support special schools. LM noted that any such increases would be built into the base for future years (which created pressures in future years).

5 Special schools funding (2020/21)

LM noted that the Forum had previously expressed the view that a 2.55% increase in special school funding was insufficient. She had discussed with a representative group of headteachers what a reasonable increase might be, but it would need to be offset by savings elsewhere. The 2020/21 high needs budget still projected a large overspend (£24m compared to £30m in the current year). She hoped that the LA could work with special schools to place pupils into state schools, who were currently unplaced for Sept 2020, and some of the savings could then be given to schools². Discussions had been paused due to COVID 19 but she intended that they would continue. A 2.55% increase was not the final position.

EG expressed confidence that there would be far fewer children going into NMI placements in Sept 2020 than in the previous year. Of 144 pupils initially unplaced, for September 2020, 53 had now been placed in Surrey state special schools. Some schools had exceeded PAN and had increased class sizes to help. There was now a more “joined up” process for SEND admissions.

Unit costs in Surrey state schools were much lower than in NMI schools and the savings from reduced NMI costs could support discussions over meeting the 1.45% gap between the 2.55% which schools had been offered and the 4% which they had demanded. Work had started on the banding review, which would redistribute some funding, and he hoped to send out a paper shortly on establishing core costs of special schools. He hoped to know the outcome of the admissions process by the end of May.

LM noted that staff capacity in the LA had been an issue, but that capacity was now returning to normal.

² Ie used to increase funding rates to schools

Ben Bartlett asked that work could be done on the SEND admissions process in mainstream schools, in order to reduce SENCO workload, and to release SENCO time to provide professional support to colleagues. LM acknowledged the need to make admissions processes sharper and more effective.

EG suggested a panel approach to admissions, involving headteachers at an earlier stage, greater professional support to panels, and reducing the emphasis on parental preferences, suggesting that some of these were not well informed. He confirmed that the LA would continue to meet the statutory requirement to consult with any school for which a parent expressed a preference, but quoted examples such as

- preferences being expressed for NMIs where a long daily journey was involved;
- an NMI school heavily marketing its speech and language therapy but where most pupils left without 5 GCSEs where with suitable support in a mainstream secondary school they might have achieved them.

He suggested that some parents might not fully understand what Surrey special schools offered.

It was noted that, while many parents' preferences were indeed well informed, some needed to realise that higher costs didn't always mean better outcomes.

Headteachers were pleased to hear that discussions on funding were continuing and that special schools were providing additional places. Tim Stokes asked whether some underspend on other blocks could be utilised to fund special schools as a one year solution. LM noted the previous Schools Forum consensus that special schools needed more funding, but sought a view from Schools Forum as to how it should be provided.

Justin Price reported that special schools phase council had unanimously agreed to reject the proposed 2.55% increase and were prepared to start talking to parents about it. He argued that there was no clarity as to how many additional children the sector had to admit before increased funding would be made available to the sector.

Andrea Collings asked whether it would be made clear to parents that they wouldn't automatically be asked for preferences. LM argued that Surrey had historically gone well beyond statutory requirements in consulting parents, and had put too much emphasis on parents researching places.

6 Mainstream schools funding issues (2021/22)

DG explained that normally, at this time of year, the LA would ask the Forum to suggest funding issues which could be reviewed for the following year, so that work could be done in advance of the July meeting, However, Surrey's funding formula was now largely in line with the NFF (and higher in some factors) and it had been policy to converge on the NFF. Thus there was little scope for change as it was unlikely that Surrey would now move away from the NFF. There would need to be the usual discussion on minimum funding guarantee and ceiling levels³.

³ But this cannot be finalised until Oct 2020 funding data is available

He sought any suggestions from Forum members as to areas to be reviewed.
Action for members: send any suggestions to DG before next meeting.

Members made no suggestions.

7 Opportunity to suggest any other funding areas for review (SEND/early years)

LM asked the Forum to suggest any SEND/early years issues which should be reviewed for inclusion in the autumn funding consultation paper. This would need to include proposals on early years funding and funding of special schools. Members were asked to suggest specific areas on which to consult.

LM confirmed that at present the normal consultation timetable should be assumed. She would like to bring an outline of consultation proposals to the next meeting. She wanted the proposal to be as transparent as possible. The Chair noted the importance of a partnership approach.

Ben Bartlett noted that year 10s who had been out of school for a significant length of time were at particular risk in the current situation, and that it might be particularly difficult to get them back into education, LM agreed for the need to support such pupils via a joint approach, eg involving the youth service.

8 Proposed changes to the Surrey Scheme for Financing Schools; DFE risk protection arrangements

DG explained that the DfE had extended the Risk Protection Arrangement (an alternative to commercial insurance, previously available only to academies) to be available to maintained schools. This required an amendment to LAs' schemes for financing schools (which required consultation). The consultation was about how the change should be incorporated into the Surrey scheme, not about the merits of the RPA or whether maintained schools should join the RPA. The DfE was also allowing Schools Forums the right to approve "de-delegation" from schools in order to join the RPA, but Schools Forum was not now being asked for a view on that issue. The Forum was being consulted on the proposed text on which to consult all schools.

Surrey was proposing that schools should give at least two months' notice before leaving Surrey's insurance arrangements in order to join the RPA, because if a large number of schools left, Surrey might have to renegotiate its own insurance rates.

Members suggested that the LA had a duty to explain to schools the difference between the RPA and commercial insurance.

DG suggested that it was not for the LA to advise schools on whether they should join the RPA. The LA could be seen to have a conflict of interest as the LA offered insurance to its maintained schools. But the LA was willing to offer advice subject to that caveat.

The Chair noted that the RPA was risk pooling, not insurance, and that in principle claims were settled on a first come first served basis, although the

pool had never yet run out,. Another member advised that the RPA was underwritten by the Secretary of State.

Members noted that the RPA was very different from normal insurance. Several members had had positive experience of it, but they noted that individual schools would need to make their own decisions. They suggested that individual maintained schools should discuss the issue with academies.

The Forum made no suggestions for changes to the proposed consultation text.

9 Any other business

COVID 19

Julie Iles (Cabinet member for all age learning) wished to thank education providers and staff personally for keeping education provision open for children of key workers and for vulnerable children.

The Vice Chair asked whether the Forum had any role in supporting schools which faced financial pressure as a result (eg) of loss of lettings income. Officers would keep a watching brief on the issue.

Other members asked whether some of the surplus funds could be used to mitigate COVID-19 related pressures.

Meeting ended 2.40pm

Date of next meeting Thursday 9 July 2020 1pm , provisionally at Dianthus, Woking (subject to lockdown).

Annex to minutes Item 4
Outturn variances by block compared to final budgets

	Over (under)spend £m	less b/fs £m	Over (under) less b/fs £m	DFE Allocation £m	Over (under) spend%
Schools NFF	-3.836	-2.998	-0.838	629.138	-0.13%
CSSB	0.150	0	0.150	6.235	2.41%
Early years	-2.733	0	-2.733	74.671	-3.66%
High need	29.957	0	29.957	147.115	20.36%
	23.538	-2.998	26.536	857.159	3.10%

Note: overspends and underspends are shown as a proportion of latest DFE DSG allocation for 2019/20, as at end March 2020. Percentages exclude funding brought forward from previous years.

DSG allocations are stated BEFORE deducting funding for academies and college places (because the cost of these is determined by decisions made by the LA). They thus differ from those reported in the council's outturn report, which considers only funding which actually goes through Surrey.

SEN Services Outturn

	Budget £000	Exp £000	Var £000
Special Early Education	1,008	661	-347
Nursing Therapy	333	356	24
Occupational Therapy	1,368	1,290	-78
PSSS	2,804	2,811	7
Speech & Language	3,932	3,398	-534
Teachers	985	998	12
Access Services	2,750	2,290	-460
Total SEN Services	13,180	11,804	-1,376