

Minutes of the Schools Forum Meeting held on 13 February 2019

Present: Steve Barr (Chairman)

Attendance

Jane Rutherford	Nicky Crookshank
Richard Osborne	Richard Lane
Philip Siddell	Anita Rattan
Philip Tapp (Vice-Chairman)	Keith Hollins
Sara Bailey	Vicki Lewis
Kevin Allbutt	Julie Rudge
Steve Swatton	Wendy Keeble
Judy Wyman	Denise Haney (Substitute)
Liz Threlkeld	Tom Hutchinson (Substitute)

Observers: Mark Sutton, Philip White and Richard Hinton

Also in attendance: Alison Barnes, Julie Roberts, Andrew Marsden and Tim Moss

Apologies: Claire Shaw, Kirsty Rogers, Karen Dobson, Ally Harvey, Chris Wright, Claire Evans and Jennie Westley

PART ONE

27. Declarations of Interest

There were none at this meeting.

28. Minutes of the meeting held on 18 October 2018

RESOLVED – That the minutes of the Schools Forum meeting held on 18 October 2018 be confirmed and signed by the Chairman.

29. Matters arising and Decisions taken by the Chairman

The Chairman reported that an item on the Schools Forum meeting had been included in the schools' bag, in the interest of raising the profile of the Forum and making the papers more accessible.

In the consultation process there had been overwhelming support for the vision and principles in the Education and Skills Strategy, and the final document would be published in April.

A response was expected in the near future on the representations which had been made to the Secretary of State in relation to the 0.5% transfer of funding from the Schools Block to the High Needs Block.

Members were assured that the current County Council review of staffing would not have any effect on the areas of funding previously agreed under de-delegation.

30. High Needs Block Update

Members were informed that the current state of the High Needs Block across English local authorities was gaining public recognition. Lobbying by a number of groups including F40, the County Councils Network, the Society of County Treasurers along with others had been in the national headlines.

Schools Forum had received a paper at their October meeting indicating options for the recovery of the High Needs Block overspend. At that time the overspend was forecast to be £7.7m. This had since risen to in the region of £8.3m. This meant that there would be insufficient money in DSG balances to cover this overspend. The Forum had taken the decision not to support the transfer of 0.5% from the Schools Block to the High Needs Block. Subsequently the local authority had made representation to the Secretary of State for the switch to take place and was currently awaiting a response.

The DfE had confirmed that Staffordshire would receive £1.7m in 2018/19 and a further £1.7m in 2019/20 additional funding for the High Needs Block, following the announcement of the additional £250m for SEND in December 2018. This had the effect of reducing the forecast overspend to £6.6m. A number of the actions reported within the High Needs Block Recovery Plan had been implemented and would deliver £2.5m savings in 2019/20 and a further £1m in 2020/21. The table below illustrates the position of the High Needs Block:

	Forecast including additional DfE funding (£m)	Forecast including recovery action savings (£m)	Forecast including recovery action & 0.5% switch (£2.4m) (£m)
Opening DSG Balances	5.05	5.05	5.05
2018/19 Forecast overspend	-6.60	-6.60	-6.60
2018/19 Closing DSG Balances	-1.55	-1.55	-1.55
2019/20 Forecast overspend	-6.6	-4.1	-1.7
2019/20 Closing DSG balances	-8.15	-5.65	-3.25

It was queried whether a child who had funding via an EHCP would continue to receive this until they changed schools, it was confirmed that this would be the case as it was based on school and not key stage. A question was raised on special schools which provide residential education, but the response was that this was not a decision to be made by Schools Forum. Members were informed that the current financial pressures within the County Council meant that there would not be funding available from the local authority once current balances were exhausted. Whilst understanding the financial

pressures, if schools were unable to balance their budgets members expressed concern that the authority would not step in to support what were the most needy children. The Cabinet Members outlined the elements which had significantly increased the pressure on the budget, including increased spend on children’s services, increased numbers of Looked After Children and an increase in the number of children with EHCPs. The stark reality was that the authority could not continue to run on a deficit.

A member questioned what the County Council was doing to share this problem with the Government. The Cabinet Member for Learning and Employability responded that he had lobbied both publicly and privately, and that the issue was with the Treasury. Members were informed that there was a parliamentary petition to increase funding for schools and that there would be a debate in parliament on 4 March. They were urged to put pressure on their MPs.

RESOLVED – That the updates to the High Needs Block, including actions taken to reduce the overspend in the years 2018/19 and 2019/20 be noted.

a) High Needs Block Recovery

In order to achieve the recovery of the High Needs Block overspend a number of options had been brought forward to the Schools Forum for information in October. Since then further work had been undertaken to evaluate the extent to which these options could be implemented. Members were informed that this evaluation had concluded that some options were not possible to implement as alternative funding streams to replace these were not available. It was reiterated that a key component of the decisions which had been made to date had been to avoid any direct impact on pupils receiving support. The proposals were as follows:

SEND Learning Support	
Proposal	Saving
Decommissioning of SEND Learning Support	2018-19 - £512,000 2019-20 - £879,000

Note: This service was decommissioned in September 2018, savings for 2018-19 have been built into the latest forecast. This is provided as a traded offer to schools.

AEN Funding	
	Estimated Saving
From September 2019 to end AEN funding for new non EHCP pupil referrals	2019-20 - £29,000 2020-21 - £50,000
From September 2019 to reduce AEN allocation for new EHCP pupils by a reduction in hours allocated, term time only appointments or alternative inputs for pupils.	2019-20 - £240,000 2020 -21 - £800,000

Note: Schools will need to be consulted about the removal of funding for non-EHCP pupils and the reduction of AEN allocation for new EHCP pupils. It is intended that this consultation will take place during the summer term 2019 and implemented from September 2019. This will also be applied to EHCP reviews at the point of school change.

The estimated savings are being recalculated following the publication of the NJC pay spines which are currently under consultation locally. It is anticipated that this will significantly reduce the estimated savings.

Specialist Support Service	
Proposal	Estimated Saving
To remove the non-statutory element of the Autism Support Service from the High Needs Block	2019-20 - £87,500 2020-21 - £150,000

Note: Work is underway to examine how the non-statutory element of this service can be funded separately from the High Needs Block through a traded element. This does not include the Autism Resource Centres.

Early Years' SENCOs	
Proposal	Estimated Saving
To reconfigure the commission of this service	2019-20 - £855,000

Note: Work has been completed to design a reconfigured service. The focus of this service will be changed from supporting children to supporting settings.

Physical Difficulties Advice & Guidance	
Proposal	Saving
To de-commission the service from Entrust	2019-20 - £20,842

Note: As this service is mainly signposting to providers and resources, this will be made available within the Local Offer and Graduated Response.

Dyslexia Outreach	
Proposal	Saving
To de-commission the service from Entrust	2019-20 - £354,145

Note: This to be provided as a traded offer for schools.

Special Educational Needs Advisory	
Proposal	Saving
To de-commission the service from Entrust	2019-20 - £78,604

Note: This is a service that provided information to the LA about performance and monitoring of special schools and attendance at Ofsted feedback. This is reducing with the conversion of special schools to academies. Where required the quality assurance of LA maintained special schools will be funded through the school improvement grant.

Bespoke days	
Proposal	Saving
To de-commission the service from Entrust	2019-20 - £53,735

Note: This service is an agreed number of days that can be used by the LA and will no longer be utilised.

Total savings in 2018 -19 equates to £512k.

Total savings in 2019 -20 equates to approx. £2.5m.

Total Savings £3m

RESOLVED – That the above options in relation to the recovery of the High Needs Block overspend be noted.

b) Society of County Treasurers' Letter

RESOLVED - That the contents of the letter sent to the Secretary of State for Education by the Society of County Treasurers about the shortfalls in funding for pupils with Special Educational Needs and Disabilities, via the High Needs Block of DSG be noted.

c) Permanent Exclusion Cost Recovery Consultation Evaluation

Members were informed that Staffordshire had seen a continual rise in permanent exclusions and was 0.06% percentage points above the national published figure of 0.10% in 2016/17. With the increased demand on Pupil Referral Unit (PRU) placements following a permanent exclusion, and due to the small number of pupils who had been successfully reintegrated back into a mainstream education, Staffordshire had an unprecedented number of Key Stage 4 pupils whose needs were being met in a PRU, with their education being funded 100% from the High Needs Block. This had limited the PRUs ability to provide time limited intervention placements and had put an increased pressure on the High Needs Block. Further options had therefore been progressed in ensuring a sustainable funding system for subsequent years to support schools and academies to be inclusive when admitting a permanently excluded pupil and for the Local Authority to meet its statutory duties in providing education for permanently excluded pupils.

Other Local Authorities had a Cost Recovery option in place and therefore a consultation on recovering an element of the costs of permanent exclusions from excluding schools and academies had recently been concluded across all education sectors. Within this consultation, schools and academies were asked their views on the proposal that for education provider who permanently excluded a pupil, in addition to the portability/exclusion charge as detailed within the Schools and Early Years Financial Regulations, a further charge would be levied to recover a proportion of the cost of the education provision made for pupils who were permanently excluded. It was recommended that the charge would follow the excluded pupil and used to either support reintegration back into a mainstream school or to offset the cost of appropriate alternative education provision if applicable.

Members were informed that the costs for preventative placements would increase from April 2019 to bring them in line with the funding provided to them by the Local Authority for pupils who are on the PRU's single roll, but more importantly to bring them closer to the national funding levels attributed to placements within PRUs.

Members considered a detailed analysis of the responses which had been received by over 80 schools and academies to the consultation. Whilst the majority of these did not agree with the proposal it must be noted that this was not an option for the Local Authority to make a profit out of a permanent exclusion but to acknowledge the burden upon the High Needs Block following a pupil's permanent exclusion. They also considered funding forecasts based on three different values of cost recovery.

It was suggested that a task and finish group should be established from Schools Forum members across each sector and the Local Authority, including the Educational Psychologist Service, to consider funding options to promote inclusion and avoid permanent exclusions. However, members expressed concern that there were already a number of working groups looking at similar issues and agreed that it was important to be very clear about what the group wanted to achieve, with defined vision and direction. Members agreed that the Local Area Review Action Plan could provide a collective vision for direction for the group. Officers therefore suggested that they bring a written Statement of Action from the Local Area Review to the next meeting of the Forum in March.

RESOLVED – That:

- a) It be noted that the Local Authority is considering funding options available to reduce permanent exclusions across the County;
- b) A written Statement of Action from the Local Area Review be brought to the March meeting of Schools Forum; and
- c) The increase in the cost for preventative placements in PRUs from April 2019 to align the costs of dual roll and single roll placements be noted.

31. Revised Constitution

The Chairman informed members that this was not the final version of the revised Constitution. Further work would be done on the wording to ensure that it was fit for purpose. Members were invited to send any comments to the Clerk to the Forum over the next two to three weeks and a final version would be taken to the meeting of the Forum in March.

RESOLVED – That a final version of the revised Constitution be taken to the next meeting of the Forum on 28 March 2019.

32. Update to the Staffordshire Scheme for Financing of Schools and Financial Regulations for Schools

Members were informed that the Staffordshire Scheme for Financing Schools had been expanded to include an additional number of reasons why a Notice of Concern should be issued to an individual school. These were:

- Failure to set an in year balanced budget by 31 May;
- When a school is considered to be in financial difficulty as a result of the five-year budget plan submission as at 31 December; and
- When a school causes any concern to the monitoring organisation.

It was intended that these additional factors would ensure that Notices of Concern were issued as early as possible to allow early, effective remedial action which would be proactive rather than reactive.

The Scheme had also been amended to reflect a change in organisational structure at the County Council, the post of Director of Finance and Resources had been replaced by the Section 151 Officer.

Amendments had been made to the Financial Regulations for Schools to reflect the most up to date version of the County-wide Financial Regulations.

Members expressed concern over the proposal around the five-year budget plan submission and in particular the uncertainty over financial positions in years four and five. It was suggested that the wording of this proposal should be amended to reflect these concerns.

RESOLVED – That:

- a) The revised Staffordshire Scheme for Financing Schools and Financial Regulations be approved, except for the proposal on the five-year budget plan; and
- b) The wording on the budget plan proposal be rephrased by officers and brought back to the Schools Forum for approval.

33. Notices of Concern

Members noted that there had been no new Notices of Concern issued since the last meeting.

34. Work Programme

Members agreed that a written Statement of Action from the Local Area Review should be considered at the next meeting on 28 March 2019.

RESOLVED – That this addition to the Work Programme be noted.

35. Date of next meeting

RESOLVED – That the next Schools Forum meeting be scheduled for Thursday 28 March 2019, at 2.00 pm in the Oak Room, County Buildings, Stafford.

Chairman