



Schools Forum minutes

Minutes of the meeting of the Schools Forum held on Tuesday 16 January 2024 in Jubilee Room - The Gateway, commencing at 1.30 pm and concluding at 2.46 pm.

Members present

Mrs G Bull, Mr A Gillespie, A Cranmer, Ms S Barcock-Wood, Ms R Chapman, Ms C Glasgow, Mr E Hillyard, Ms N Lovegrove, Ms J Robertson, Mr A Sherwell, Mr B Taylor, S Best, M Foster, J Talbot and J Manning

Others in attendance

J Carter, G Drawmer, C Gray, C Duffy and S Fogden

Agenda Item

1 Apologies for Absence

Apologies were received from Sue Bayliss, Eileen Stewart, Jinna Male, Laura Morel, Caroline Marriott and Caroline Whitehead.

2 Declarations of Interest

There were no declarations of interest.

3 Minutes of the Previous Meeting

RESOLVED – That the minutes of the Schools Forum meeting held on 5 December 2023 be agreed as a correct record subject to an amendment to the final paragraph on item 5 being attributed to Sarah Barcock-Wood not Claudia Glasgow.

In terms of Item 8 on De-Delegation Sarah Barcock-Wood reported that she had attended a Union Meeting last week and concern had been raised about the funding requested being decreased to 50p per pupil for Trade Union release which had resulted in a shortfall of funding. Therefore, there might be insufficient funding for this next year. She asked the Forum to urgently review the amount per pupil. The Head of Finance reported that they would know whether there was insufficient funding or not by looking at outturn reports and that this issue did not require an urgent review and if there was any deficit this could be picked up the following year. Sarah Barcock-Wood repeated that the NEU were concerned about insufficient funding with the decrease per pupil and that other unions had to use some of their allocation to plug the gap this year. The Head of Finance aimed to review the spend on trade unions at year end, then would meet with HR in June to plan for next year. The Co-Chair suggested that Sarah Barcock-Wood should share her report on their

budget difficulties with the Head of Finance to provide clarity.

4 Report from the Schools Forum Funding Group

The Co-Chairman provided an update on the Schools Forum Funding Group. The SFFG's role was to consider detailed financial proposals and options on behalf of the Forum, and to make recommendations to the Forum. The Funding Group met twice a year and discussed any issues with funding particularly with the DfE allocation. At the last meeting of the Forum it was hoped that the Council would have 100% allocation for maintained schools. However, with the updated census data and due to changes with higher prior attainment and free school meals needs it meant applying the National Funding Formula did not work at 100%. The Funding Group then discussed the options available to ensure fair distribution to schools. Options were discussed such as capping of gains for some schools and using that to meet the minimum funding guarantee or scaling down the formula to make it affordable to all. Because the gains capping was affecting only 7 schools and 3 of them significantly it seemed unfair for those schools to not be protected so the Funding Group recommended to scale the formula to 99.93% to spread the reduction across all schools. This was still higher than last year which was 99.89%.

The report was noted.

5 School budget proposals 2034/25

The report set out the latest information on the four blocks of the Dedicated Schools Grant (DSG) based on the October 2023 census and other up to date information as published by the Department of Education (DfE) on the 19 December 2023. In addition, the implications of the allocations and budget proposals for each block. Recommendations for each block have been included in the minute below. The Head of Finance presented the budget proposals below.

DSG Allocation 2024/25

Table 1 in the report gave the latest allocations with a total of £631.2m before recoupment for DSG in 2024-25, and updated previous information reported to the Schools Forum. Buckinghamshire would receive an increase of £36.5m compared to the 2023-24 DSG settlement. The main change was in Early Years, which was explained later under this item. The Head of Finance reported that the DfE had made an error with the formula and Buckinghamshire would get an extra £1.2 million of funding due to the number of weeks in the Autumn and Spring term so the final figure would be £632.4 million.

Resolved that Buckinghamshire Council set the overall Dedicated Schools Budget at £632.4m in line with the funding allocation announced on 19th December 2023 and subsequent amendment.

Schools Block

School Block's allocations for Buckinghamshire were now based on the October 2023 census and reflected the national increases to the formula's core factors, as

well as the minimum per pupil funding. The increase of £1.768m compared to the indicative settlement was due to the increase in pupil numbers generating additional funding. There was a fall in numbers of 197 in Primary and an increase in 434 in Secondary. In 2024 to 2025, as in previous years, each local authority would continue to set a local schools funding formula, in consultation with local schools.

As in 2023-24, there was insufficient funding to implement the National Funding Formula in full. The main reason for this was the number of pupils eligible for funding through the additional educational needs factors. The DfE calculated the funding unit each year based on the previous census data. If pupil numbers eligible for additional education factors increase between years, this could leave the funding short.

The main factors causing the shortfall are:

- Continued increase in pupils eligible for Free School Meals
- A significant increase in pupils attracting funding through Lower Prior Attainment. Primary lower prior attainment required funding of £1m more than in 2023-24 reflecting an increase of 1.93% in eligible pupils.

There were 3 options for bringing the NFF into balance:

- a) To scale back use of the growth fund allocation
- b) To apply the funding formula in full, but to cap the gains made by some schools to make the formula affordable.
- c) To scale down the values of the formula factors due to affordability.

In 2023-24, a combination of all three options were used, with scaling at 99.89% and capping at 6.17%, and use of the growth funding allocation.

Members were asked to agree the methodology for affordability, either the cost of the Minimum Funding Guarantee should be funded through the capping of gains, or the formula should be made affordable by scaling at 99.93%. The Funding Group had suggested the scaling across all schools so that there was no capping of individual schools and the shortfall was shared equally which was agreed by the Schools Forum.

Resolved that:-

- a) the allocation of funding to mainstream schools be agreed based on the local funding formula for schools agreed in December 2023, updated for the October 2023 census data.**
- b) the cost of the Minimum Funding Guarantee should be funded by scaling at 99.93% (model 1b).**
- c) the criteria for the Growth Fund in 2024-25 be confirmed.**

Teachers Pay Award Grant

The September 2023 Teachers Pay award of 6.5% was being funded via money that the DfE estimated an average school already had in their budget, estimated at 3.5% and a further new grant, the Teachers Pay Award Grant, equivalent to 3% funding. The grant was in addition to DSG and would continue to be paid for the 2024-25 financial year. For Early Years, the grant was rolled into the core Early Years funding.

School level allocations would be published for 2024-25 in May 2024 for mainstream, special schools and Alternative Provision.

There would be an additional grant for 2024 to 2025 to reflect the additional costs of the increase to the employer contribution rates to the Teachers' Pensions Scheme from April 2024. Further details were expected in due course.

Growth Fund

Appendix 4 of the report showed the estimated use of growth funding in 2024-25 based on the criteria agreed in January 2023. The current criteria were reviewed and amended in January 2020 for the 2020-21 financial year to reflect revised DfE guidance. A question was asked by a Member about how this compared to the DfE criteria and they were informed it was very similar.

Falling Rolls Fund

For the first time in 2024-25, the Schools DSG block included funding for falling rolls, the allocation for Buckinghamshire was £145k.

Local Authorities have discretion over whether to operate a falling rolls fund or not. Where Local Authorities operate a fund, they would only be able to provide funding where school capacity data 2022 (SCAP) showed that school places would be required in the subsequent three to five years (previously 3 years).

Falling Rolls was no longer restricted to good or outstanding schools, all schools qualified. As no schools qualified for this in Buckinghamshire currently, this funding had been used to balance the national funding formula.

Central Schools Services Block

The CSSB continued to provide funding for local authorities to carry out central functions on behalf of maintained schools and academies, comprising two distinct elements:

- ongoing responsibilities
- historic commitments

Historic commitment funding related to continuing expenditure by Local Authorities on commitments entered into before 2013, on activities which since that date have

been deemed not to be appropriate for Local Authorities to fund directly from the DSG. The government's expectation was that the spend on these commitments would reduce over time and as a result funding for historic commitments was being reduced by 20% on the previous year's allocation each year.

In response to a question about whether the DfE would change this approach it was noted that they would not change this as they were trying to even out funding across Local Authorities. This could be discussed at a future meeting of the Forum in the Summer/Autumn when discussing the 3 year plan. A further question was asked with regarding to table 5 and how funding for the per pupil rate was calculated, which assumed 2% increase per year. The Head of Finance reported that the Central Block Funding was distributed by an amount per pupil and 2% had been put forward by the DfE for budgetary purposes.

The allocation for 2024-25 was £253k lower than in 2023-24. The 2024-25 allocation was slightly higher than previous predictions as the Ongoing Commitment allocation included one-off compensation of £64k for a prior year error in licence charges. Funding was expected to continue to reduce over the next 3 years.

Resolved that the Central Schools Service Block budgets for 2024-25 as detailed in Appendix 5 of the report be agreed.

High Needs Block

The allocation for the High Needs Block in 2024-25 was £127.5m, an increase of £4m compared to the current year.

In determining the high needs block budget for 2024-25 the following pressures and opportunities needed to be taken into account:

- a) Full year effect of pressures in 2023-24
- b) Projected ongoing increases in demand in 2024-25, including planned increases in places arising from the Sufficiency Strategy
- c) Consideration of an inflation uplift to top up values
- d) Potential mitigations arising from actions already taken in the DSG Management Plan.
- e) New Mitigations from the Delivering Better Value in SEND work

These pressures and potential mitigations were summarised in the report. Based on initial estimates there was a potential shortfall of £2.9m still to be met in order to set a balance high needs budget. It was recommended that further work be carried out with the DSG Spending Review Group to manage the high needs budget in 2024-25.

Members noted that these figures had not been shared with the Funding Group as

they had not been confirmed at the time. The deficit would be difficult to overcome. The Service Director for Education reported that there was a huge pressure on budgets being experienced across the country and gave a particular example of Bournemouth Christchurch and Poole. Currently a statutory override was in place which meant that this deficit did not count against the Council's budget. However, if this was taken away it would have major implications for Council budgets nationally, who were likely to go bankrupt. Buckinghamshire was faring better than other Council areas with a deficit at year 2 of 3% of the overall high needs block and in addition the Council still had reserves to fall back on. However, the concern was that this deficit would increase exponentially in the next few years because of the increasing number of children with SEND needs. With regard to Education Health and Care needs assessment requests these had increased from 680 in 2016 to 1,365 in 2022 which showed an increase of 107%. 7,000 ECHP's would need to be processed, which was a significant workload in terms of assessments and provision of service.

The Head of Finance reported that the forecast for the deficit for 25/26 was £7 million and for 26/27 was £12.5 million based on financial modelling through the Better Value project. The Service Director for Education reported that they were trying to manage these challenges as far as they could; for example, there were too many children being sent to independent placements and to try and get more specialist provision in Buckinghamshire to meet needs at a lower cost. If children with needs could be identified at an earlier stage and addressed this might stop more complex needs at a later stage. Schools and Councils would work together on this preventative approach. The Chairman reported that this was a good approach but expressed concern that this was a longer term strategy. The Service Director for Education reported that there were actions that could be undertaken now to help this way of working which also looked at better outcomes for children.

A Member referred to a Special School and the level of complex needs had changed significantly in the past five to ten years so that most of the year groups had high levels of severity with children with lesser needs now being in mainstream schools. He commented that it was not due to greater awareness but that complexity of need was changing and there was still no explanation why this was the case. He asked whether the DfE had discussed any changes in funding or whether they expected Councils to manage this financially. The Service Director for Education reported that there had been no proposals from the DfE but hoped that further information would be available after the general election had taken place. It would be unlikely that they would want Councils to become bankrupt because of lack of funding for children with complex needs. She commented that the DfE understood that this situation could not be managed without the statutory override but the Council had to continue to manage their budgets as best they could by putting mitigations in place. Another Member commented on the huge pressure on Councils overall with other services under pressure such as adult social care, homelessness and home to school transport.

Another Member expressed concern about the EHC Plans that were not being actioned and gave an example of speech and language therapy. She commented

that this action needed to take place in order to ensure early intervention as suggested earlier. The Service Director for Education reported that there was extreme pressure on the system which included health colleagues who were struggling to recruit occupational and speech and language therapists. Further funding had been allocated to help address this. It was important to get the balance right between fulfilling their legal duties and ensuring early intervention. They were working closely with health colleagues on a strategic joined up approach.

A question was asked on whether the deficit took into account population changes and also whether early intervention required additional resources for example dealing with attendance which would need to be included in the budget. The Head of Finance reported that the forward forecast included the best estimates for growth. The Head of Achievement and Learning reported that in terms of population growth there was a population bulge which had worked its way through the primary system into secondary therefore there were falling rolls in primary schools. Mitigations had been put in place and there had also been some large areas of growth particularly in Aylesbury. Pupil numbers would stay relatively constant and numbers were being monitored by the school planning team. The Service area was working with private, voluntary and independent sector providers to ensure a joined-up approach. Reference was made to working with the health sector and a two year wait for paediatricians so children were not seeing paediatricians early enough to make a difference. The Service Director for Education reported that plans were in place to address this and that the health sector had allocated further funding of £4.6 million towards this to reduce waiting times. She reported that waiting times had been reduced significantly as they were having some success in recruitment, and this should improve further in the next 12 months. A comment was made that sometimes interventions were not required until the later stages of education.

The Co-Chair asked a question relating to table 7 which was a summary of pressures against the high needs block – she referred to the current forecast of £1.6 million overspend but in that table there was a move to outturn of £2.6 million. The Head of Finance reported that there were a number of items that were reducing the overspend in the current year which would not be expected to carry on. There was also a 3% for top-ups. The Co-Chair asked when that assumption would be translated into a decision. The Head of Achievement and Learning reported that this was related to the uplift in teaching assistant pay which was currently being considered by the Senior Appointments and Pay Committee. The Co-Chair then asked if there were any risks in not achieving the savings and the Head of Finance reported that she had concerns about delivering some of the extra places which had been built cautiously into the £4.9 million saving. In the longer term with an increase in deficit there was an option to move funding between blocks which would come out of the delegated budgets to schools. 0.5% of the budget could be moved without reference to the Secretary of State if the Schools Forum agreed to this. However, there would still be a deficit. The other Co-Chair reported that it was important that children were at the heart of decision making despite the financial pressures on the budget.

Resolved that the budget for the High Needs Block in 2024-25 at £127.5m be agreed and that further discussions to consider the potential shortfall in the high needs budget are held with the DSG Spending Review Group.

Early Years Block

The 2024-25 funding arrangements included the outcome of the DfE consultation on proposals to support delivery of the new working parent entitlements for children aged 9 months up to and including 2 years old from 2024.

The key changes were:

- The introduction of a new national funding formula covering both the existing 2 year old entitlement for disadvantaged children and new working parent entitlements. This meant that all children from 9 months to statutory school age would receive at least 15 hours of government funded early education.
- Extending the 95% pass through rate to each of the new funding formula
- A requirement for Local Authorities to have a disadvantaged 2 year old rate that was at least equal to the rate for 2 year old children of working parents
- A new deprivation supplement for the disadvantaged 2 year old and new working parent entitlements
- All Local Authorities to have special educational needs inclusion funds (SENIF) for all children regardless of the hours taken
- Extending eligibility for EY Pupil Premium and Disability Access Fund (DAF) to eligible children aged 2 and under

The allocation was based on the pupil census for January 2023. Table 8 a) reflected an increase in funding of £6.6m for existing provision since 2023-24 but this movement included the impact of the 2023-24 Early Years Supplementary grant. Table 8 b) showed the funding for the new extended entitlements was £16.7m.

The Early Years Forum met on 8th January 2024 to consider the impact of the allocation and proposals for the 2024-25 formula for Early Years providers. Subject to meeting the DfE requirements, there could be different formula for each funding stream. There were three proposals for each of the formula.

The Head of Finance advised of a correction to the wording of option B and option C for 3-4 year olds in the original report.

For 3 and 4 year olds, the revised options were:

Option A – Replicating 2024-25

Option B –Reduction in base rate to £5.61 from £5.62, and increasing the

inclusion fund by £0.01

Option C – Reduce Inclusion Fund by £0.01 and increasing the base rate by £0.01

For the disadvantaged 2 year olds, the 2 year old working parent entitlement and the under 2 entitlement, the options were:

Option A – including an optional supplement, inclusion fund & contingency. In addition, the 2 year old working entitlement and under 2 entitlement included a deprivation element.

Option B – same, but reducing the optional supplement

Option C – Increased inclusion fund

The Forum noted that the funding was all based on estimates of take-up so this was uncertain at the current time. The DfE would be doing a headcount through the summer and autumn terms. A Member commented that whilst there was no maximum increase on the funding it was recommended that it would be better to put this into the inclusion fund.

The Early Years consultation group agreed Option B for all 3 formulae.

Resolved that the Early Years Funding Formulae (EYFF) for 2024-25 be agreed.

6 Dedicated Schools Budget - Revenue budget monitoring 2023-24

The report updated the Schools Forum on the current forecast for the Dedicated Schools Grant (DSG) budget for the 2023-24 financial year, based on the spend to 31st December 2023 (period 9). The overall Dedicated Schools Budget was currently projected to overspend by £1.76m at the year end.

The main reason for the projected overspend on DSG was the forecast overspend on the High Needs block of £1.594m. The projected overspend included an additional £1.8m of independent special schools spend. This was an increase from the forecast at the end of P7, as additional costs were now charged to High Needs reflecting the cost of Education for young people with plans in the Cross Regional social care contract. This was in line with the DfE High Needs Operational guidance. Top-ups in Early Years and Mainstream (for both those with plans and without plans) showed an overspend of £2.783 reflecting the expansion in the numbers supported. This had reduced by £0.211 from the forecast at P7.

Offsetting this were underspends of £0.984m in Integrated therapies due to delays in recruiting staff to deliver the contract and a reduced forecast for Post 16 which reflected updated data. In addition, there was a forecast decrease in Special School topups, as the forecast has been amended for take-up of places by other Local Authorities.

Schools block was currently projected to break even. Central schools services block

was projected to overspend by £0.163m due to pressures against the budget for Premature Retirement Costs as costs continued to exceed the available budget.

Reference was made to IR35 which was off-payroll working rules which applied if a worker provided their services directly through their own limited company or another type of intermediary. The tax status of the contract for all off payroll workers must be determined for HMRC. IR35 referred to this legislation which was designed to combat tax avoidance by off payroll workers supplying services via an intermediary but who would be an employee if the intermediary was not used. Schools would need to determine the IR35 status of a contract through the HMRC checker. The Council had sent a letter to headteachers with guidance and templates.

Resolved that the report be noted.

7 Exclusion of the Press and Public

RESOLVED -

that under Section 100(A)(4) of the Local Government Act 1972 the public be excluded from the meeting for the following item(s) of business on the grounds that it involves the likely disclosure of exempt information as defined in Part I of Schedule 12A of the Act.

Paragraph 3 Information relating to the financial or business affairs of any particular person (including the authority holding that information)

8 Confidential Minutes

Resolved that the confidential minutes of the meeting held on 5 December 2023 be agreed.

9 Date of Next Meeting

Dates for future meetings of the Schools Forums would be circulated – the next meeting would be in the summer.