



North Tyneside Council

Quadrant, The Silverlink North, Cobalt Business Park,
North Tyneside, NE27 0BY
Tel: 0345 2000 101

Item 5 Minutes

Meeting Schools Forum

Date Wednesday 22 March 2023

Location Via Microsoft Teams

Present

✓ Present
D Deputy
A Apologies
O Absent

Name	Organisation	Representing	11.01.23	22.03.23
Anthony Gollings	St Thomas More	RC Diocese	✓	✓
Angi Gibson	Hadrian Park Primary	Primary	✓	✓
Claire Garbutt	St Columba's Primary School	Academy	✓	A
Colleen Ward	Coquet Park First School	Primary	✓	✓
David Bavaird	Norham High School	Governor - Secondary	O	A
David Watson	St Thomas More	Academy	✓	✓
Diane Turner	Tyne Met	16-19 Provider	O	D (David Gardner)
Finn Wilcock	Southridge First School	Primary	✓	✓
Gavin Storey	Cullercoats Primary	Primary	✓	✓
Jill Wraith	Benton Dene Primary	Primary	D (Carmel Parker)	D (Carmel Parker)
Joanne Thompson	Holystone Out of School	Early Years PVI	✓	✓
John Croft	Sir James Knott	Nursery	✓	✓
John Newport	Marden Bridge Middle School	Middle	✓	✓
Karen Croskery	North Tyneside Student Support Service	PRU	✓	✓
Kelly Holbrook	Longbenton High School	Secondary	✓	✓
Kerry Lillico	Grasmere Academy	Academy	O	O
Laura Baggett	Monkhouse Primary	Primary	✓	✓
Lesley Griffin	Wellfield Middle School	Governor - Secondary	✓	✓
Louise Bradford	Diocese	C of E Diocese	✓	O
Matt Snape	Marden High School	Secondary	✓	O
Michael Young	Spring Gardens Primary	Primary	✓	✓
Paul Johnson	Churchill Community College	Secondary	✓	A
Peter Gannon	Silverdale School	Special	✓	✓
Peter Thorp	Redesdale Primary	Governor - Primary	A	✓
Philip Sanderson	Kings Priory	Academy	✓	O
Phil Kemp	Trade Unions	Trade Unions	✓	✓
Rob Harker	Carville Primary	Primary	✓	✓
Stephen Baines	Holystone Primary	Primary	✓	✓

Steve Wilson	Whitley Bay High School	High	✓	✓
In Attendance:				
Mark Longstaff	Director of Commissioning & Asset Management	NTC	✓	✓
Jon Ritchie	Director of Resources	NTC	✓	A
Claire Emmerson	Senior Manager – Finance Strategy & Planning	NTC	✓	✓
Andrew Brown	Principle Accountant, Finance	NTC	✓	✓
Jane Cross	Senior Business Partner, Finance	NTC	✓	✓
Diane Thompson	Senior Accountant – Schools Finance	EQUANS	✓	✓
Christina Ponting	Senior Manager – Schools HR	EQUANS/NTC	✓	✓
Mary Nergaard	PA to Director of Commissioning & Asset Management	NTC	✓	✓
Lisa Cook	Assistant Director, Education and Inclusion	NTC	✓	✓
Mark Mirfin	Assistant Director, SEND Transformation	NTC	A	✓
Ian Wilkinson	Strategic Lead, Education and Inclusion Review	NTC	✓	✓
Julie Firth	Director of Children’s Services	NTC	N/A	✓

Minutes of Meeting

Ref	Item	Action
1.	Apologies for Absence	
	<ul style="list-style-type: none"> See table above. 	
2.	Attendance Register / Membership / Roles and Responsibilities	
	<p>Attendance:</p> <ul style="list-style-type: none"> See table above. <p>Membership:</p> <ul style="list-style-type: none"> JW has stepped down from Schools Forum and her locality are looking at appointing a replacement. Thanks for the work carried out as part of Schools Forum has been provided on behalf of Forum. SB’s term has been extended. GS’s term is up for renewal in July. DB will be stepping down from SF as he is no longer a governing body member at Norham therefore he cannot hold the Secondary Governor seat. DB had asked for some best wishes to be passed on to Schools Forum: DB wanted to ‘thank School Forum for the opportunity to be part of forum, being able to work alongside schools and Local Authority colleagues. He noted that as a layperson he had specifically valued the ability to be able to ask questions and seek clarification from Local Authority colleagues and from other members of forum. He 	

	<p>noted that it had been an honour and a privilege to be on Schools Forum, having the opportunity to work together in the best interests of young people and schools in North Tyneside.</p> <ul style="list-style-type: none"> • <u>ACTION:</u> The Chair noted that DB has been a member of Schools Forum for a long time and that he will write to DB on behalf of Forum to thank him for his service. <p>Roles & Responsibilities</p> <ul style="list-style-type: none"> • Reminder of roles and responsibilities for Forum Members was provided. 	PG
3.	Virtual Public Meeting / Observers	
	<ul style="list-style-type: none"> • The Chair issued a reminder that the meeting is live streamed to the public on the Authority's YouTube Channel and welcomed the public/observers to the meeting. • A meeting etiquette reminder was issued which included a reminder to turn cameras on when asking a question. 	
4.	Declaration of Interest	
	<ul style="list-style-type: none"> • None received. 	
5.	Minutes of the last meeting	
	Minutes agreed as an accurate record of the meeting.	
6.	Matters Arising	
	<p>Page 2, Item 6 – Matters Arising: Falling Rolls and Growth Fund Proposed Allocations:</p> <ul style="list-style-type: none"> • CE confirmed that she has spoken with LB and provided the information requested. <p>Page 10, Item 7 – Any Other Business: Catering Services:</p> <ul style="list-style-type: none"> • CP noted that she had been asked to provide an update on this item. MY had met with different Authority officers on queries he had raised previously. • Historically Schools Forum used to provide financial support for a schools' procurement officer who was directly employed to support schools with such matters, but these arrangements ended some time ago when it was decided by Schools Forum that a funding contribution could no longer be supported. • Several schools both within Schools Forum and outside of forum had indicated they were considering going out to tender for a range of services in the future months for several reasons, including budgets/future planning. • To support schools, and in picking up some of wider/past 	

	<p>conversations both within and outside of Schools Forum on a number of matters relating to procurement, change of service providers, commercial terms, tendering, etc., CP proposed to meet with the Head of Commercial and Procurement to discuss support that could be provided for schools around the commercial/tender processes for services with a view to providing further support, to include updates/awareness raising for all schools, followed by the offer of an annual/rolling programme of updates.</p> <ul style="list-style-type: none"> • It was also possible that, if schools were interested, a broader offer for schools to have more detailed support and potentially training that a separate Service Level Agreement (SLA) could be offered for those schools that wished to consider this. • <u>ACTION:</u> Any members of Schools Forum who would like to work with CP and the Head of Commercial & Procurement to look at this matter and the support that can be provided for schools to contact CP. • MY updated that he had met with Jon Ritchie (JR) and Julie Firth (JF) and noted that they had discussed the 0.5% transfer. MY also noted that JR and JF did not know anything about the issues he had raised with Schools Forum previously relating to catering services and whilst they listened, they were not able to offer any assistance. • MY also noted that he had been advised that content of the meeting was not to be shared with Schools Forum as it was a “private meeting”. • MY noted that the Head of Commercial & Procurement has taken over from ML on the work linked to schools transferring out of the Catering Services SLA and expressed his belief that there is a potential conflict of interest. • MY noted his continued concerns about the way the procurement process had/was being handled, specifically around catering services, and expressed his thoughts that this should still be further discussed within a specific sub-group of Schools Forum. • CP apologised for any lack of clarity, and confirmed the suggested way forward is to have a group of colleagues to work with CP and the Head of Commercial & Procurement to look at commercial and procurement processes in school with the overall focus of looking at how best to support schools going forward. 	<p>All</p>
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	<ul style="list-style-type: none"> • CP noted that the wish to have further clarity on what schools needed to do in these circumstances did not appear to be unique to Schools Forum member schools and therefore the suggestion was that development work to better support schools be opened to wider colleagues including business managers and head teachers not on Forum, with the focus of being to look at what is required when a school undertakes various procurement and commercial processes including lessons learned. CP continued that if Forum also wished to have a separate meeting, she was more than happy to facilitate this. • MY stated that he will never attend a “private meeting” with Authority officers again as he did not feel that the Authority wanted to have a full and frank conversation, raising concerns around transparency. • PG noted that what started this off was a request for a sub-group and asked if Forum Members felt there was a need for one. • CP confirmed the suggested way forward was to look at the whole Commercial & Procurement process for purchasing arrangements inclusive of SLAs and other service providers/arrangements, e.g., agencies/recruitment, grounds maintenance, reprographics, etc. as opposed to being solely focused on one service area, e.g., Catering Services. • MY stated that he does not believe that anyone needs any assistance with anything other than Catering Services. • CP confirmed that a sub-group of Schools Forum could be arranged specifically look at catering services, if that was what Forum wanted to do. • DW noted that over several years there have been different concerns raised over Catering Services and that he also felt that there have been issues with procurement not being consistent. DW acknowledged that it is not appropriate to not get into specifics in a public forum from a commercial perspective and noted that he respects that position. • DW agreed that a sub-group specifically around catering services would be beneficial. • CP reiterated the offer to have a separate meeting outside of forum specifically linked to catering services if that was what Forum wished to do. • MY requested a vote on whether a sub-group should be set up 	
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	<p>to look specifically at catering services and report back to a future Schools Forum meeting.</p> <ul style="list-style-type: none"> • The chair asked for a show of hands from Schools Forum members if they wished to be part of a Schools Forum sub-group to look at Catering Services. • It was noted that MY, LB, KH, SB, JC, AG all asked to be part of a sub-group. • <u>ACTION:</u> CP to facilitate the meeting arrangements so that members could discuss matters and feed back to Schools Forum at a future meeting. <p>Page 10, Item 7 – Any Other Business: Attendance:</p> <ul style="list-style-type: none"> • CP provided an update. <p>All other actions are covered on the agenda.</p>	CP
6.1.	Finance Update	Claire Emmerson
	<p>CE talked through the presentation on screen. Main points to note as follows:</p> <ul style="list-style-type: none"> • Purpose of the presentation was outlined. • Schools set budget plans for 2022/23 projecting overall net deficit balances of £5.533m. • Monitoring 1 initially showed the net deficit projected to improve by £1.145m to £4.388m, however, this was before the impact of the pay award. Taking that into account, school balances are estimated to decrease by a further £1.920m to £7.453m. • Table 1 of the report was shown on screen which shows the current movement, illustrating the net effect of pay award pressures and reversal of 2022/23 National Insurance increase of 1.25% from November 2022. • School Deficits • The analysis of Schools in Financial Difficulty is outlined in Table 2 of the report which was shown on screen. • Following budget monitoring 1 there are 8 further schools in emerging deficit meaning there are now 17 schools identified with forecast deficits in 2022/23 in comparison to 9 schools who had submitted budget plans in May 2022. • Of the 8 emerging deficit schools only 4 schools had contacted the Authority to request a licenced deficit approval at the time of drafting the report, however all 8 have now contacted the Authority. • Had to do a financial notice of concern to Whitehouse Primary. 	

	<p>This is to safeguard both the school and the Authority. Any deficit transfers to the Authority.</p> <ul style="list-style-type: none"> • For the four schools new to deficit, along with Beacon Hill and Monkseaton High School, the School Resource Management Advisers (SRMAs) worked through the schools' finances and management structure and provided a report to individual schools and the Authority. These reports are now being used to tailor support to schools. • This will be used as a basis for an update of the Support and Challenge Framework which will be brought back to Forum in July for review. • CE noted that a query had been raised around the structural deficit at Monkseaton High School. Updates have been provided to Schools Forum in the past and a further update will be presented to Cabinet. The Local Authority (LA) has worked with the school around the different options that the school may want to consider. • LG thanked CE for the update and noted that she has answered the questions. • LG also noted that she had raised a query around PAN numbers and noted that she has been informed that an update will be presented at a future Schools Forum. • It was noted that school balances are on a downward trajectory with schools projecting net deficit balances on an annual basis. • A reminder was issued that Schools cannot incur a deficit without prior agreement from the Authority under the Scheme for Financing Schools. • A reminder of the conditions outlined in the Scheme for Financing Schools was provided along with an update on the position for those schools that were already in deficit at the time that the new policy was introduced, and the actions being carried out for schools that have a structural deficit. • Support & Challenge Framework will be brought back to SF for a review in July. • When schools set their budgets, it is over 3 years. We then monitor those budgets and in year 3 we RAG rate schools that we anticipate may fall into deficit. This has been challenging this year due to the impact of the pay award and things like energy pressures which are having an impact on the budget setting process. • The Authority must consider overall school balances in the 	
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context of licenced deficit approvals to safeguard the Authority's own financial position. Regular monitoring and reporting from schools to the Authority form part of this important work.

- **High Needs Block**

- Carried forward a deficit of £13.511m.
- As at November 2022 the forecast showed an in-year pressure of £4.416m, raising the cumulative pressure to £17.927m. A breakdown of the in-year pressure is shown in Table 3 of the report.
- **Safety Valve – Designated School Grant (DSG) Management Plan**
 - A reminder of the work that has been carried out on the DSG Management Plan was provided.
 - The Authority is pleased to announce that they have been accepted into the Department for Education (DfE) Safety Valve Programme which will bring £19.500m to the Authority over the 5-year plan with the first £7.800m being paid before the end of the financial year.
 - A working group has been set up to oversee the plan.
 - On behalf of the Authority CE issued thanks to all those that have helped in preparing the plan.
 - An overview of the DSG Management Plan funding was provided on screen outlining the funding that will be received over the 5-year period.
 - In 2023/24 when we take the funding into account the deficit will reduce to £10.113m.
 - If the plan works as intended, this will bring the deficit down to £5.076m
 - The announcement was only made last week and will be included in the next Cabinet report.
 - LB asked what happens to the money that the DfE have agreed if the plan does not play out as intended.
 - CE noted that there is a rigorous reporting mechanism in place with reports to the DfE 3 times per year. If the plan falls away from where we are supposed to be we would be looking at other mechanisms to bring the plan back on track but ultimately the funding would be at risk. However, we are confident that what we have put forward is achievable. It is a 5-year plan and there is other work going on alongside the plan.

- We recognise that there are risks around this work and there are governance arrangements in place to monitor the plan which includes updates to Schools Forum.
- **Budget Tool Update**
- The Authority entered into a 3-year agreement for the budget planning tool used by schools for budget planning and in year monitoring.
- AB noted that we are now coming to the end of the first year and it has been a steep learning curve, but our understanding of the system has improved. Although, it is appreciated that those in schools may not be as confident with the system as the finance team within the Authority.
- Detailed feedback from schools has been requested and feedback is already being received.
- These responses will be collated anonymously and shared with SBS to drive through system modifications and improvements.
- The finance team will be having monthly meetings with SBS to respond to these queries and requests, and this will result in tailored training relevant to North Tyneside schools.
- SBS have also committed to tailored training, and this will be delivered in line with the feedback from schools.
- AB noted that we have asked for volunteers to join the SBS improvement working group which will commence early in the 2023/24 financial year to share experiences and address queries and requests with SBS.
- The results of this ongoing work will be fed back to Schools Forum and to Head Teachers Briefing sessions during 2023/24.
- AB thanked schools that have responded so far and noted that the offer is still available and asked colleagues to continue to provide feedback in order to continue to improve the system.
- PG provided his feedback on the system and noted his comparisons between the new and old systems.
- AB noted that out of all the schools using the system approx. one third love it, one third hate it and one third are keen to work with the working group to improve the system.

Recommendations

Schools Forum is asked to:

- Note the forecast position for schools after the 1st termly monitoring process;

Noted

	<ul style="list-style-type: none"> Note the latest position for the High Needs Block as reported in January 2023; Noted Note the update on the new budget planning tool for use in the 2023/24 to 2025/26 budget planning cycle. Noted 	
6.2.	Schools in Financial Difficulty Claire Emmerson	
	<p>CE provided a verbal update. Main points to note as follows:</p> <ul style="list-style-type: none"> Reminder of the Headroom and Falling Rolls balances for 2022/23 was provided with the provisional balances as follows: <ul style="list-style-type: none"> £0.456 HR and £0.050 in Falling Rolls. Overview of the Schools in Financial Difficulty was provided. Excluding Whitehouse and Wallsend St Peter's, there were other schools who were in an emerging deficit position. Different approach to previous years however, the Finance Sub-Group felt this was the right thing to do. Current 2022/23 Schools in Financial Difficulty balances is £0.349m. No allocations have been made in 2022/23 pending SRMA, Budget Monitoring and Outturn. Schools Forum Finance Sub-Group met on 17 March agreed to put forward the following recommendations to Schools Forum: <ul style="list-style-type: none"> Review of budget monitoring 2 and the outturn. For those schools with low financial resilience, we would support a small contribution from Schools in Financial Difficulty Funding. Both in year deficit schools and new to deficit schools must set a balanced budget in 2023/24. Finance sub-group to review schools eligible for support in 2022/23. It was noted that Whitehouse Primary and Wallsend St Peters are currently out of scope for Schools in Financial Difficulty Support due to the current situation within those schools. No Existing deficit schools to receive support in 2022/23. 2023/24 Assessment of financial support to be reported to Schools Forum in July 2023 <p>Discussion followed around:</p> <ul style="list-style-type: none"> SB noted that the finance sub-group had a very robust conversation to reach the proposals outlined. 	

	<ul style="list-style-type: none"> • LB noted that a lot of the schools that have been identified this year was linked to the pay award and asked if there is any work being done on any new schools to deficit next year with regards to the pay award. • CE noted that under the Support and Challenge Framework we do monitor the position of schools and noted the potential impact of the pay award on schools. It is unlikely that the impact will be as big as what we are seeing this year. CE noted that the budget plan is based on what was provided in May 2022 and that many schools will be able to absorb this impact but for those schools on the cusp that have low levels of reserves, is exactly what the funding is for, to support those schools. • PG thanked all member of Forum who attended the finance sub-group for the time taken to do this work. <p>Recommendations:</p> <p>Schools Forum is asked to:</p> <ul style="list-style-type: none"> • Agree the proposed recommendations for the allocation of Schools in Financial Difficulty funding for 2022/23; Agreed • Note that £0.349m is available for Schools in Financial Difficulty support in 2022/23; Noted • Agree that the finance sub-group will review eligibility and Schools Forum agrees to delegate approval for 2022/23 allocations and the sub-group will report back to the next Schools Forum meeting; Agreed • 2023/24 Assessment of Financial Support will be reported to Schools Forum in July 2023. Agreed 	
7.	Any Other Business	
	<ul style="list-style-type: none"> • No matters arising. 	
8.	Date and Time of Next Meeting	
	Wednesday, 12 July 2023 at 12:30pm, via Microsoft Teams.	