



North Tyneside Council

Minutes

Meeting Schools Forum **Date** Thursday 1 October 2020

Location Via Microsoft Teams

✓ Present D Deputy A Apologies O Absent
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Present

Name	Organisation	Representing	08.09.20	01.10.20
Andrew James	St Aidan's Primary	Primary	✓	✓
Angi Gibson	Hadrian Park Primary	Primary	✓	✓
Candida Mellor / Claire MacLeod	Trade Unions	Trade Unions	Claire MacLeod	Candida Mellor
David Baldwin	Churchill Community College	Secondary	✓	✓
David Bavaird	Norham High School	Governor - Secondary	✓	✓
David Watson	St Thomas More	RC Schools	✓	✓
Gavin Storey	Cullercoats Primary	Primary	✓	A
Jill Wraith	Benton Dene Primary	Primary	✓	✓
Jim Coltman	Diocese	C of E Diocese	A	A
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	✓	A
Laura Baggett	Monkhouse Primary	Primary	✓	✓
Marie Flatman / Mo Dixon	Tyne Met	16-19 Provider	Mo Dixon	✓
Matt Snape	Marden High School	Secondary	✓	✓
Michael Young	Spring Gardens Primary	Primary	✓	✓
Paul Mitchell	Whitley Bay High School	Governor – Secondary	✓	✓
Peter Gannon	Silverdale School	Special	✓	✓
Peter Thorp	Redesdale Primary	Governor - Primary	✓	✓
Philip Sanderson	Kings Priory	Academy	✓	✓
Sharron Colpitts- Elliott	Rockcliffe First School	Primary	✓	✓
Stephen Baines	Holystone Primary	Primary	✓	✓
Stephen Easton	Marine Park First School	First	✓	Colleen Ward
Steve Wilson	Whitley Bay High School	High	✓	✓
<u>In Attendance:</u>				
Mark Longstaff	Head of Commissioning & Asset Management	NTC	✓	✓
Claire Emmerson	Senior Manager - Finance Strategy & Planning	NTC	✓	✓
Noel Kay	Senior Business Partner, Finance	NTC	✓	A
Diane Thompson	Finance	ENGIE	O	O

Christina Ponting	Senior Manager - Schools HR	ENGIE/NTC	✓	✓
Mary Nergaard	PA to Head of Commissioning & Asset Management	NTC	✓	✓
Mark Taylor	Strategic Commissioning Manager	NTC	✓	N/A
Kevin Burns	Senior School Improvement Officer (Vulnerable Learners)	NTC	✓	N/A
Mark Mirfin	Senior Manager (SEND)	NTC	✓	N/A

Item		Action
1.	Apologies for Absence	
	See Table above. The Chair welcomed everyone to the Schools Forum.	
2.	Attendance Register / Membership	
	<ul style="list-style-type: none"> Sharon Colpitts-Elliott (SCE) is standing down. Tim Jones to take over this role from the next meeting. The Chair issued thanks to SCE for all her contribution as a member of Schools Forum 	
3.	Public Meeting / Observers	
	The Chair welcomed the public to the meeting	
4.	Declaration of Interest	
	Item 6.1b – Jill Wraith	
5.	Minutes of the last meeting of 8 September 2020	
	Minutes agreed as an accurate record of the meeting.	
6.	Matters Arising	
	Page 2, Item 6 – Matters Arising: Special Leave SLA <ul style="list-style-type: none"> <u>ACTION (carried forward):</u> Separate report to be sent to Forum members before the November meeting. 	CP
	Page 11, Item 7 – Any other business: Overall Budget Position <ul style="list-style-type: none"> <u>ACTION (carried forward):</u> CE to bring an update back to Forum in the January meeting in advance of the APT being submitted 	CE
6.1	Finance Update	
	a) National Funding Formula – Local Funding Formula update <p style="text-align: right;">Claire Emmerson</p> <p>CE talked through the presentation. Main points to note as follows:</p> <ul style="list-style-type: none"> Presentation shown on screen which provided a summary of the detail in the report Items covered included <ul style="list-style-type: none"> A look back – Local Funding Formula 2020/21 Aims of the National Funding Formula 2021/22 Local Funding Formula Modelling Considerations Risks 	

- Next Steps

- In consultation with Schools Forum, it was previously agreed to maintain the LFF for 2018/19 and 2019/20.
- In 2020/21 the LFF changed to 50% towards NFF Factor Values. Ratio 1:1.35, 35% higher for Secondary.
- During the consultation for the changes in 2020/21 there was a 68% response rate to the consultation with 98% in favour of 50% movement. 92% supported the use of MFG to reduce the level of losses and 86% agreed to the Authority setting the MFG level subject to affordability
 - The majority of schools (66%) endorsed the distribution of any additional funding via basic entitlement /AWPU / basic funding ratio
 - 12% of schools chose to allocate any additional funding to the High Needs block, acknowledging the overall funding pressure that has been seen within this area.
 - 12% identified the use of pure pupil numbers as their preferred method of distribution, the reason given was that schools in less deprived areas often don't access additional funding from other streams.
 - When asked if they would you support a movement to the High Needs Block up to the maximum level of 0.5% of the Schools Block if required, 67% said no and 23% said yes with conditions
- PM asked if there was a hard deadline for a move to NFF. CE noted that the Authority can still maintain a LFF for 2021/22 but it is highly likely that there will be a hard move to NFF in 2022/23 which will be discussed later under this item
- Aims of the NFF is as follows:
 - intended to bring the ratio of funding between Primary and Secondary schools closer (Ratio of 1:1.29)
 - More funding provision available for deprivation and low prior attainment within the formula factors.
- Table 1 of the report outlined the 4 models for 2021/22 that were explored by the sub-group.
- Appendix B shows the overall factor comparison for each model and highlights the funding distribution for deprivation and low prior attainment.
- Appendix C summarises the main movements across Models 1, 2 & 4 for Primary and Secondary by locality
- Sub-group felt that Model 3 didn't go far enough to alleviate the pressures in Primary in terms of distribution of funding.
- DW noted that the sub-group recognised that the process of moving to NFF has gone on for a significant amount of time and that North Tyneside has moved more slowly than some other Authorities. The slow movement has been supported but the group now recognises that the pressures are on all schools and not just primary so it would not be appropriate to hold off in moving further towards the NFF
- JW noted that it was a unanimous decision of the sub-group members
- PM raised concern over the impact of Covid-19 on school finances and noted that the timing of any significant changes in financial modelling should be approached with caution
- CE noted that all schools are feeling the impact of Covid-19 and the request for caution is understood. However, the pressures of Covid-19 and the changes in the funding formula are entirely different matters. There is a

need to lobby government for additional funding to deal with any Covid-19 related pressures

- Models 1, 2 and 4 all distribute similar levels of funding to Secondary schools, whereas the impact on First and Primary schools is more equitable in Models 1 & 2
- It is important to note that if a hard funding formula was brought in by the DfE the estimated negative impact using the current APT would be £113,897 for Secondary schools, and would require a negative MFG of 0.63% to avoid any capping on gains
- Whilst the LFF has been maintained in previous years changes must ensure the principles of fairness and equity across all schools.
- Model 4 moves the LFF 75% towards the NFF values and whilst this would assist with a smoother transition it does not recognise the NFF objective to distribute more funding to deprivation and low prior attainment factors. Model 1 and model 2 being at the NFF would distribute the total funding as per the NFF but would require a MFG of 0.5% and capping to maintain affordability.
- Table shown on screen shows the impact on schools. Model 2 shows a more even spread of gains across all phases and geographical areas.
- To ensure that each of these models are affordable we have had to apply capping.
- Considerations:
 - Highly likely that there will be a hard move to NFF in 2022/23. This would mean that the ESFA will fund schools directly based on full NFF factor values and the LA would no longer be able to smooth the transition via MFG or Capping
 - DfE have advised that the government will put forward proposals to move to a hard NFF in the future with potential consultation in 2021
 - Impact of Covid-19
 - Impact on Schools in Deficit as shown in Appendix E
 - If the LFF stays, even moving to the NFF the Authority would need to move away from capping and increasing the MFG.
- Key Risks:
 - NFF is currently unaffordable with current Schools Block Allocation
 - Without transitional protection the NFF would significantly impact secondary schools
 - The Authority would lose the ability to smooth the impact of NFF
 - Impact of MFG and capping for schools with high deprivation and low prior attainment, LFF needs to be more equitable, currently unaffordable due to maintaining ration and LFF factors and Secondary
 - More LAs now at NFF making North Tyneside an outlier both nationally and locally. This will impact our ability to negotiate with the DfE
- Next steps:
 - Schools Forum to consider the recommendations
 - Cllr Earley, Cabinet Member responsible for Children, Young People and Learning, has been consulted. Paper to go to LMB on the recommendations of Schools Forum on 19 October
 - Proposed consultation to commence 21 October for 4 weeks.
 - Cabinet initial budget proposals reflect options and consultation

	<ul style="list-style-type: none"> ○ Outcome to be brought back to November Forum then brought back to LMB (date tbc) ○ Schools block funding settlement December 2020 ○ Report to come back to Schools Forum in January 2021 ○ Submit APT in January 2021 <p>Discussion followed around:</p> <ul style="list-style-type: none"> ● LB asked if schools can find out how each of the models consulted on will impact them directly. CE confirmed that she would be happy to share individual school's data ● AG asked if a user-friendly guide can be provided for schools to allow them to understand all the options fully. CE proposed a Finance and Resources meeting ● DB asked for a live session to be scheduled and also recorded for those who can't attend ● DBa asked if Governors would be invited. CE confirmed that Governors can attend and that drop-in sessions can also be arranged. This is as per the current arrangements and would have happened anyway ● <u>ACTION:</u> CE to arrange a Finance and Resources session for Schools and Governors and a session will be recorded to ensure that this can be accessible to those that are unable to attend ● DB asked if the plan was to consult on Models 1, 2 and 4 ● CE noted that following the receipt of additional information, which was after the sub-group meeting, it is felt that Models 2 and 4 would be more equitable across all schools. Sub-Group members agreed. ● <u>ACTION:</u> CE to share presentation with Forum Members <p>Recommendations</p> <p>Schools Forum is asked to consider the following:</p> <ul style="list-style-type: none"> ● note the impact of moving to the preferred options based on the summary information provided for 2021/22, Appendices A-E; Noted ● provide feedback on the proposed funding options and agree the options which will form part of the consultation with all schools; and Forum agreed to consult on Models 2 and 4 only for 2021 Consultation to run from 21 October for a period of 4 weeks ● note that for 2021/22 the Authority will maintain a Local Funding Formula. It is likely that the 'hard' NFF will be implemented for 2022/23. Noted 	<p>CE</p> <p>CE</p>
	<p>b) Schools in Financial Difficulty</p> <p style="text-align: right;">Claire Emmerson</p> <p>CE talked through the briefing paper on behalf of the Schools Forum Finance Sub-Group. Main points to note as follows:</p> <ul style="list-style-type: none"> ● Sub-Group were asked to review if the current criteria could be broadened / updated to allow for the following:- <ul style="list-style-type: none"> ○ provide support for schools who are new to deficit including those who become a deficit school in year; 	

- provide support for those schools who are predicting a deficit longer than year 3 timeframe, but who are able to demonstrate a return to in-year balance within a reasonable time frame; and
- provide support for those schools who have already been in receipt of funding from the Schools in Financial Difficulty budget in previous years.
- Table 1 shows the sub-group recommendations and suggested revisions. Overview provided and suggested changes discussed
- SW asked if Schools that have come out of deficit that then go back into deficit could apply again. CE noted that schools that return to seek deficit approval once out of deficit can re-apply, however there would be conditions as outlined in the report
- In reviewing the criteria, the Sub-group were keen to ensure that sufficient scrutiny would be in place for all applications submitted.
- Officers from the Authority suggested that revising the current application documentation and introducing a framework which would support schools to make an application would go some way to providing assurance in relation to the submissions by schools.
- Wider considerations discussed as follows:
 - balances currently held for the purpose of supporting schools in financial difficulty;
 - fundamental purpose of the funding; and
 - the use of residual funding to support other areas.
- The group agreed in principle that in the first instance the funding should be used for its intended purpose and a level of balances should be retained to support future applications from schools in financial difficulty. Only once all of the applications for funding had been reviewed, recommendations made and approved by Schools Forum, would any residual funding above the agreed retained balances level be used to support other areas for example, Special Leave.

Discussion followed around:

- PM noted concern over ensuring that the system does not allow a school to drift into structural deficit. Forum agreed.
- SB asked if there is any merit in adding that any reapplicants are only considered after first time applicants to make sure that first time applicants to get the first chance at claiming money, with the hope there is sufficient funding available to help others. CE noted the comments and agreed to revise the framework / policy.
- **ACTION: CE to arrange a meeting of Sub-group to retrospectively look at applications and reassess the allocations**

CE

Recommendations

Schools Forum is asked to consider the following:

1. agree the recommendations for the review of criteria as per Table 1 and the revised draft framework as per Appendix B;
Agreed
2. agree that should the recommendation 1 be agreed, Schools Forum will then require the Sub-group to retrospectively apply the revised criteria to for those schools who had previously made an application for funding in

	<p>July 2020 and where appropriate review the applications and make further recommendations for approval (November 2020); Agreed</p> <p>3. agree that Finance will continue to work with the Sub-group of Schools Forum to provide assurance that robust applications are submitted and provide advice when applications are considered; Agreed</p> <p>4. agree that the documentation for applications will be revised for the 2021/22 application framework; Agreed</p> <p>5. agree that in the first instance the funding should be used for its intended purpose; Agreed</p> <p>6. agree that a level of balances should be retained to support future applications from schools in financial difficulty, the balance to be determined; Agreed</p> <p>7. agree that only once all of the applications for funding had been reviewed, recommendations made and approved by Schools Forum, would any residual funding above the agreed retained balances level be used to support other areas for eg Special Leave; and Agreed</p> <p>8. the decision in relation to supporting other areas for eg Special Leave is put on hold pending decisions taken at Schools Forum. Agreed</p>	
7.	Any Other Business	
	<ul style="list-style-type: none"> AJ noted that at the January and March meetings it was agreed that a sub-group would be arranged to look at School SLAs. A meeting was scheduled but later cancelled as a result of Covid-19. AJ asked if this action could be revisited. ACTION: MN to arrange a rescheduled meeting of the Schools SLA Sub-Group 	MN
8.	Date of next meeting	
	<p>Wednesday 11 November 2020 at 12:30pm - postponed</p> <p>Forum agreed to move the next meeting to Thursday 26 November 2020 at 12:30pm</p>	