 North Tyneside Council	North Tyneside Council SCHOOLS FORUM
	Wednesday 13 January 2021 - 12:30 – 14:30
	The meeting will be held virtually and will be live streamed at the following link: https://youtu.be/E8EwGLWzc0I

AGENDA

1.	Apologies for Absence	Chair
2.	Attendance Register/ Membership	Chair
3.	Public Meeting/ Observers (*)	Chair
4.	Declaration of Interest	Chair
5.	Minutes of the last meeting <i>Minutes 26 Nov - Pages 5-13</i> <i>Minutes 8 Dec – Pages 15-18</i>	Chair
6.	Matters Arising: <i>Verbal Update</i>	
6.1	Council Financial Position – Update <i>Presentation</i>	CE
6.2	Schools Finance Policy & Practice update to include (as applicable): <i>Circulated – Pages 19-35</i> a) National Funding Formula <ul style="list-style-type: none"> Local Funding Formula (Schools Block) High Needs Central Schools Services Block Early Years b) De-Delegation including Centrally Retained	CE
7.	Any Other Business	Chair
8.	Date of Next Meeting – Wednesday 10 March 2021	Chair

North Tyneside Schools Forum Member Roles & Voting								
de-delegation Primary	de-delegation Secondary	scheme for financing schools	consultation on funding formula	General Duties	Retained Duties	all other matters	<i>last updated September 2019</i>	
1	2	3	4	5	6	7		
Voting							Phase	Role
School Members								
x		x	x	x	x	x	First	Head
x		x	x	x	x	x	Primary	Head
	x	x	x	x	x	x	High	Head
	x	x	x	x	x	x	Middle	Head
	x	x	x	x	x	x	Secondary	Head
Other School Members Non Locality Based								
x		x	x	x	x	x	Primary/ First	Governor
	x	x	x	x	x	x	Secondary/Middle	Governor
		x	x	x	x	x	Nursery	Head
		x	x	x	x	x	PRU	Head
		x	x	x	x	x	Special	Head
			x		x	x	Academy	Other
Non Schools Members Non Locality Based								
		x	x			x	16-19 Providers	Other
			x			x	EY PVI	Other
						x	C of E Diocese	Other
						x	RC Diocese	Other
						x	Trades Union	Other

North Tyneside Council Schools Forum,
Financial Services, Quadrant, The Silverlink North, Cobalt Business Park,
North Tyneside, NE27 0BY. Tel: (0191) 643 5991

Timetable & Forward Plan 2020/21

Date	Activity	Responsible
8 September	<u>Schools Forum Meeting</u> 1. To include appointment of Chair and Vice Chair 2. Review of the Constitution and supporting documents	Schools Forum
1 October	School Census Day	DFE/ESFA
11 October	Application for submitting disapplication requests	Local Authority
11 November	<u>Schools Forum Meeting</u>	Schools Forum
20 November	Deadline for submitting disapplication requests	Local Authority
28 November	Deadline for submitting disapplication requests if wish to move more than 5% of the Schools block	Local Authority
November	School census database closed. Checks and validation commences	DFE/ESFA
13 January	<u>Schools Forum Meeting</u>	Schools Forum
20 January	Submit final proposals re APT	Local Authority
21 January	Deadline for submissions of final 2021 to 2022 APT to ESFA	Local Authority
1 February	Cabinet Meeting for approval of 21/22 Schools Funding	Local Authority
22 February	Cabinet Meeting	Local Authority
26 February	Deadline for confirmation of Schools budget shares to mainstream maintained schools.	DFE/ESFA
10 March	<u>Schools Forum Meeting</u> 1. Capital Investment Plan (subject to DFE announcement) 2. Scheme for Financing Schools – Annual Update (and review if required)	Schools Forum
6 April	Cabinet Meeting	Local Authority
7 July	<u>Schools Forum Meeting</u> 1. Service Manager Reports/ Updates 2. Responsibilities for Redundancy & Early Retirement Costs – Annual Update	Schools Forum

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North Tyneside Council

Minutes

Meeting Schools Forum **Date** Thursday 26 November 2020

Location Via Microsoft Teams

Present

✓ Present
D Deputy
A Apologies
O Absent

Name	Organisation	Representing	01.10.20	26.11.20
Andrew James	St Aidan's Primary	Primary	✓	✓
Angi Gibson	Hadrian Park Primary	Primary	✓	✓
Candida Mellor / Claire MacLeod	Trade Unions	Trade Unions	Candida Mellor	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	✓	O
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	✓	A
Philip Sanderson	Kings Priory	Academy	✓	✓
Sharron Colpitts-Elliott	Rockcliffe First School	Primary	✓	N/A
Stephen Baines	Holystone Primary	Primary	✓	✓
Stephen Easton	Marine Park First School	First	Colleen Ward	✓
Steve Wilson	Whitley Bay High School	High	✓	✓
Tim Jones	Langley First School	Primary	N/A	✓
In Attendance:				
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	✓	✓
Diane Buckle	Assistant Director for Education	NTC	N/A	✓ (item 8 only)
Kevin Burns	Senior School Improvement Officer (Vulnerable Learners)	NTC	N/A	✓ (item 8 only)
Rob Smith	School Improvement Advisor, PE, Sport & Health	NTC	N/A	✓ (item 8 only)
Anne Taylor	Finance	ENGIE/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"> Tim Jones has joined Schools Forum to replace Sharon Colpitts-Elliott and has received an induction along with other recent new members Jim Coltman has stood down as C of E Diocese representative. Vacancy to be filled. Conversations ongoing with the Diocese. David Baldwin's position as Chair ends on 31 December. Peter Gannon has agreed to step up and be chair from January. Forum agreed New Vice chair to be appointed in January. Nominations to be submitted and discussed at the January 2021 meeting. Paul Johnson to join Schools Forum in January as the South West Secondary Head teacher representative. The Chair welcomed TJ to Schools Forum and thanked JC for their contribution to Schools Forum. 	
3.	Public Meeting / Observers	
	The Chair welcomed the public to the meeting	
4.	Declaration of Interest	
	Item 6.1b – Matt Snape, Jill Wraith, John Newport	
5.	Minutes of the last meeting of 1 October 2020	
	Minutes agreed as an accurate record of the meeting.	
6.	Matters Arising	
	Page 2, Item 6 – Matters Arising: 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
	Page 5, Item 6.1a – National Funding Formula – Local Funding Formula update: <ul style="list-style-type: none"> Finance and Resources session was carried out and made available to those that couldn't attend Consultation Presentation was made available for schools on request 	

	Page 6, Item 6.1b – Schools in Financial Difficulty <ul style="list-style-type: none"> Forum agreed to retrospectively look at applications and reassess the allocations. Updated to be provided under Item 6.1b 	
	Page 7, Item 7 – Any Other Business: <ul style="list-style-type: none"> Schools SLA sub-group met on 22 October and Friday 13 November. ML provided an update as follows: ML noted that the meetings were very useful in terms of going through the catering agreement. Agreed some work to be carried out on the SLA portfolio in advance of next year AJ to provide further feedback under Item 7 – Any Other Business 	
6.1	Finance Update	
	a) North Tyneside National Funding Formula Consultation update <p style="text-align: right;">Claire Emmerson</p> <p>CE talked through the briefing paper. Main points to note as follows:</p> <ul style="list-style-type: none"> Reminder provided on options subject to the consultation as follows: <ul style="list-style-type: none"> Option 2. Move 100% to national funding formula (NFF) and capping maximum increase at 4.5% Option 4. Move 75% to national funding formula (NFF) with no capping 57 surveys completed from 38 schools. Reduction on last year 68% down to 54% Responses received from 31 Head Teachers, 19 Governors or Governing bodies and 7 from other leadership figures Total votes were 65% in favour of Option 2, with 35% in favour of Option 4 Votes per school was clearer at 72% in favour of Option 2, with 28% in favour of Option 4 Where multiple votes were submitted from one school, the Head Teacher vote was counted. However, none of these votes went against how the governing body voted. A factor impacting selection was the application, or not, of capping. There was an overwhelming majority agreeing to allow the Authority to set a fair MFG based on the available funding both overall and by school with a total of 54 voting yes with 3 having no preference. (36 by school with 2 having no preference). Seven options were provided as the best way to allocate surplus funding with the majority voting for Age-weighted Pupil Unit (AWPU) There was no overall agreement to transfer 0.5% to the High Needs Block with 55% saying no and 45% saying yes. However, the yes vote was up from 23% last year. References were made to understanding the deficit position for High Needs but also the need for an understanding of those with lower level need and supporting those schools. If there was to be a transfer to the High needs Block consideration would need to be given on how that would be ringfenced An update on the 2021/22 funding arrangements was provided. Funding will be based on the DfE National Funding Formula using October 2019 census data 	

- Table 2 shows the DSG 2021/22 illustrative allocation compared with prior year actuals
- 19.5% increase on the 17/18 baseline with a change per year of 7%
- **High Needs Block position:** At the end of 2019/20 there was an overall deficit position of £4.542m with a forecasted in-year outturn variance of £3.515m. Cumulative overspend of £8.057m
- Indicative funding shows a 39.7% increase on the 17/18 baseline, change per year of 11.9%
- Whilst the funding increases since 2017/18 have been constant, the gap between funding and actual costs is starting to widen as shown in Chart 5
- The LA does not have to submit a recovery plan on high needs as this is not a requirement. However, the LA is working with the DfE on ways to alleviate the pressures
- **Central School Services Block** – Table 10 shows the impact of the indicative funding for 2021/22, which reflects the DfE's plan to reduce funding of CSSB. The historic commitments element has been reduced by 20% per annum, in line with strategic DfE published plans over the last two years.
- Indicative allocation for 2021/22 is estimated to be 1.854m.
- The LA absorbed the cost of the reduction in funding in 2020/21. However, this is not an option in terms of additional reductions in future years
- **Early Years Block** – outturn surplus of £0.432m. 2-year old provision is forecast to be on budget with payment to providers continuing as normal in December.
- Funding for 3 and 4 year olds in the Autumn term can go ahead as planned with providers being funded based on the higher of Autumn 2019 / Autumn 2020 places. From spring term funding will be provided based on the funded numbers at that time.
- **Budget Monitoring for Schools** – Currently forecasting a deficit but there has recently been a £1.089m improvement against budget plans
- The summary of balances by phase is shown in Table 6
- The position of schools in deficit has improved by £0.308m. One school has moved out of deficit; however, 2 schools are reporting new deficits. Impact of Covid discussed. Work continues with these schools.

Discussion followed around:

- Query raised against the 2 schools in structural deficit and one school in a high deficit
- CE noted that in April 2019 Forum agreed to reduce the time scale that a school could come back into balance from 5 to 3 years. It was also agreed that those who couldn't get in balance within 3 years would have to be able to show an in year financial balance. In terms of Longbenton High School they are forecasting an in-year balance and won't go into structural deficit. With regard to the 2 schools in structural deficit, this has largely been down to pupil numbers. Until the pupil numbers increase the LA continues to work with those schools to manage the deficit. Independent financial support has been brought in which has been funded by the LA.
- CE also noted that all schools are on track to be brought back into in-year balance.

	<ul style="list-style-type: none"> The Chair thanked CE and the team for the work carried out and to Forum for the work carried out to encourage schools to take part in the consultation. <p>Recommendations</p> <p>Schools Forum is asked to:</p> <ul style="list-style-type: none"> Note the responses to consultation with all schools in relation to distribution of funding from the Schools Block; Noted Confirm the option which Forum wishes to recommend to Cabinet to inform Budget engagement; Forum agreed to Option 2, 100% NFF with relevant MFG, capping and scaling applied subject to affordability with any surplus channelled through the AWP figures. Forum not agreed on transfer of funds to High Needs Block Note the update on National Funding Formula and update on indicative allocations for each of the four funding blocks; Noted Note the improvement in the budget monitoring position for schools following monitoring one; and Noted. Continue to review the position of the High Needs block, considering the work to keep children in schools, the SEND Review and reviews of ARPS and commissioned services which will consider value for money and the outcomes for children and young people and will implement change, where needed, following due process. Agreed 	
	<p>b) Schools in Financial Difficulty 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"> An overview of funding already approved was provided including the £20k funding for the MASH post which left a balance of £519,539 Forum agreed to amend the criteria at the last meeting of Schools Forum held on 1 October 2020 Following the review of the criteria, applications from schools that were previously excluded were reviewed 4 were eligible for review, of which only 2 were accepted for additional funding as follows: <ul style="list-style-type: none"> Benton Dene Primary School met all the eligibility criteria and shows a strong recovery position. Sub-group recommends the school is granted the full funding requested of £41,000 Marden High School also met the revised criteria and shows a strong recovery position. 3 funding options were considered and sub-group recommends funding of £161,026 is granted Balance remaining is circa £318k <p>Discussion followed around:</p> <ul style="list-style-type: none"> Query raised on the proposed Growth Fund. 	

	<ul style="list-style-type: none"> • CE noted that the proposed Growth Fund Policy has not been presented to Sub-Group yet and is separate to this funding • It was noted that one of the schools that doesn't meet the criteria for this pot of funding may qualify for funding under the proposed Growth Fund policy once the policy has been ratified and implemented • The Growth Fund will support those schools that are seeing financial difficulty through growth as opposed to other causes • A meeting of the Sub-Group will be held in December to ratify the Growth Fund Policy proposals which will then be brought to Schools Forum in January for approval • Schools that are eligible will have funding allocated by the end of the financial year <p>Recommendations Schools Forum is asked to:</p> <ol style="list-style-type: none"> 1. Allocate the funding as per the recommendations made from the subgroup for both Benton Dene Primary and Marden High School. <p>Agreed</p>	
	<p>c) Revisions to the Scheme for Financing Schools Claire Emmerson</p> <p>CE talked through the briefing paper. Main points to note as follows:</p> <ul style="list-style-type: none"> • Updates received from statutory DfE guidance • Overview of revisions provided <p>Recommendations Schools Forum is recommended to:</p> <ol style="list-style-type: none"> 1. approve the report and adopt the proposed draft of the Scheme for Financing Schools. <p>Approved</p>	
6.2	<p>School Forum Constitution and Action Plan Review Christina Ponting</p> <p>CP talked through the briefing paper. Main points to note as follows:</p> <ul style="list-style-type: none"> • Report circulated that outlines the changes to the constitution, all of which are minor. • In addition to the revisions to the constitution, a revised toolkit has also been circulated via email to include the suggested amendments. Only area that requires some additional work is further support for Governing Body members so that they are able to undertake their wider representation role. <p>Discussion followed around:</p> <ul style="list-style-type: none"> • PM noted the guidance on the appointment of a new chair and that Forum needs to approve the appointment. Chair agreed and voting was carried out. • The Chair noted that the timings for publishing papers need to be looked at along with the dates of future meetings to help manage this affectively. The toolkit states 7 calendar days before the meeting which is not being achieved. CE noted that this was not possible on this occasion due to the 	

	<p>tight timescales resulting from the date the consultation closed. Comments noted.</p> <p>Recommendations</p> <p>Schools Forum having read this report and clearly understanding the information provided consider this report and note the following:</p> <ol style="list-style-type: none"> 1. Members are asked to consider the changes to the document and to confirm if they are clear on the changes and if they are happy for the document to be updated as noted. Agreed 2. If Schools Forum members are in agreement, the updated document would replace the current document provided to members and noted on the Schools Forum website. Agreed 3. The North Tyneside Schools Forum Constitution will be reviewed again in September 2021 or asap thereafter once ESFA guidance is updated/ provided. Noted 	
6.3	<p>Special Leave SLA</p> <p style="text-align: right;">Christina Ponting</p> <p>CP provided a verbal update. Main points to note as follows:</p> <ul style="list-style-type: none"> • Update circulated via email on Friday 20 November • Based on the predictions, TU facility is on par and Maternity, Paternity, Adoption, Shared Parental and Jury Service leave is differing from last year. • Estimating a refund value for Maternity, Paternity, Adoption, Shared Parental and Jury Service to be in the region of 84%. • Estimates involve a number of predictions so this will be kept under review and further updates provided to Schools Forum members. • Impact of Pay Award discussed; Schools Forum have already agreed that the SLA will increase each year from 1st April to match inflation/ average pay award which was applied in the previous September. • Percentage increase and additional increase added to the Special Leave costs as agreed by Schools Forum but it will take some time to see the impact of this increase. <p>Discussion followed around:</p> <ul style="list-style-type: none"> • The Chair asked what the shortfall was to take the Schools refund to 100% for Maternity, Paternity, Adoption, Shared Parental and Jury Service. CP noted that this was in the region of £86k based on current spending and estimates for future months. • Query raised around access to Schools In Financial Difficulty funding and if this was a potential to fund the shortfall for some schools. • CP noted that this could result in funding being allocated to Schools that aren't in financial difficulty and that using that money could be outside of the updated/revised criteria Schools Forum had recently reviewed for allocation of money under this heading. • SW asked if it is possible to look at the criteria again. 	

	<ul style="list-style-type: none"> • CE noted that we are potentially going to see an increase in Schools in Financial difficulty and there is benefit in maintaining a sufficient residual balance in this fund. • Schools that find themselves in financial difficulty as a result of Special Leave pressures may benefit from funding via the already agreed criteria • MY noted that the funding has been used in the past for other things outside of Schools in Financial Difficulties. • CE noted that the level of funding has been discussed and agreed. It is important to differentiate between schools that are in financial difficulty and those schools that can manage the pressure within their own budgets. • CE noted that it would require further analysis to establish if any schools impacted will also be in financial difficulty. • It is important to ensure that there is sufficient money left in the Schools in Financial Difficulty fund to support schools that may find themselves in financial difficulty, particularly those impacted by Covid. To reduce this fund further by using it top up funding that is a de-delegated item could potentially put pressure on schools in financial difficulty. • Forum noted that this needed to be left open as pending a further review of their criteria linked to Schools In Financial Difficulty and if they wished to review this again • Forum asked for the use of Schools in Financial Difficulty funds and the associated criteria to be further considered particularly in terms of: <ul style="list-style-type: none"> ○ Is this appropriate to use those funds for other means – as had been done in the past? ○ If this was considered to be an option how could this be enacted/is this possible? ○ If this was felt to be a feasible option by Schools Forum, how can this be applied in a way that is as fair as possible? • The Chair asked if it would be possible to compile a list of schools that would find themselves in financial difficulty as a result of Special Leave pressures and for this to be further considered by Schools Forum at their next meeting. <p><u>ACTION:</u> to bring this forward to the next meeting</p>	CE
7.	<p>Any Other Business</p> <p>Thanks to the Chair:</p> <ul style="list-style-type: none"> • ML issued thanks on behalf of Schools Forum members and the Authority to DB for his work as Chair of Schools Forum over the last 10 years. DB noted that it has been an honour to serve the schools and the children of North Tyneside in his role as Chair and offered best wishes to the new Chair. <p>Schools SLA Sub-Group:</p> <ul style="list-style-type: none"> • AJ thanked ML for arranging the Schools SLA Sub-Group and for the provision of an example model (School A). • AJ provided an overview of the breakdown of charges and queries as follows: <ul style="list-style-type: none"> ○ Query was raised around the overhead charges which ML agreed to look in to ○ Charges for equipment raised a query around who owns that equipment 	

	<ul style="list-style-type: none"> ○ Provision for debt – Primaries don't have any way of recovering that debt, so this is a charge that Primaries take on with no powers to do anything about it • AJ noted that schools can have a better understanding of the costs if they had a breakdown. ML agreed that this can be provided to individual schools on request. • <u>ACTION:</u> Further follow up meeting of the Schools SLA Sub-Group to be arranged • SB thanked ML for the information • <u>ACTION:</u> SB asked ML to follow up with Iain Betham on the energy management SLA. ML agreed. 	<p>MN</p> <p>ML</p>
<p>Observers were excluded from the meeting for the following item of business on the grounds that the report contains information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.</p>		
8.	De-delegated / Centrally Retained Services	Claire Emmerson
	<p>Presentation was shown on screen. Main points to note as follows:</p> <ul style="list-style-type: none"> • CE provided an overview of the funding allocation in the previous year along with the indicative funding level for 20/21 • Overall reduction of £0.197m estimated • Impact on individual areas discussed • A series of presentations on services in receipt of funding were delivered. • It was noted that the implications of any decisions need to be made clear to Schools Forum • Schools Forum agreed to a separate confidential meeting to be held in December with a single item agenda to further discuss this as there needed to be more time allocated to this topic • Presentations/supporting information to aid this further discussion/decision to be circulated in advance on a confidential basis. Date/time to be agreed as a matter of urgency and circulated to members. 	
9.	Date of next meeting	
	Wednesday, 13 th January 2021 at 12:30pm	

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North Tyneside Council

Minutes

Meeting Schools Forum **Date** Tuesday 8 December 2020

Location Via Microsoft Teams

Present

✓ Present
D Deputy
A Apologies
O Absent

Name	Organisation	Representing	26.11.20	08.12.20
Andrew James	St Aidan's Primary	Primary	✓	O
Angi Gibson	Hadrian Park Primary	Primary	✓	Wayne Myers
Candida Mellor / Claire MacLeod	Trade Unions	Trade Unions	Candida Mellor	Claire Macleod
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	✓	✓
Jill Wraith	Benton Dene Primary	Primary	✓	✓
Jim Coltman	Diocese	C of E Diocese	A	N/A
Joanne Thompson	Holystone Out of School	Early Years PVI	✓	A
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	✓	✓
Laura Baggett	Monkhouse Primary	Primary	✓	✓
Marie Flatman / Mo Dixon	Tyne Met	16-19 Provider	O	O
Fr Martin Lee	Diocese	C of E Diocese	N/A	✓
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	A	✓
Philip Sanderson	Kings Priory	Academy	✓	✓
Stephen Baines	Holystone Primary	Primary	✓	Barbara Middleton
Stephen Easton	Marine Park First School	First	✓	A
Steve Wilson	Whitley Bay High School	High	✓	A
Tim Jones	Langley First School	Primary	✓	✓
In Attendance:				
Mark Longstaff	Head of Commissioning & Asset Management	NTC	✓	✓
Claire Emmerson	Senior Manager - Finance Strategy & Planning	NTC	✓	✓
Noel Kay	Senior Business Partner, Finance	NTC	✓	✓

Diane Thompson	Finance	ENGIE	O	O
Christina Ponting	Senior Manager - Schools HR	ENGIE/NTC	✓	✓
Mary Nergaard	PA to Head of Commissioning & Asset Management	NTC	✓	✓
Diane Buckle	Assistant Director for Education	NTC	✓ (item 8 only)	✓
Kevin Burns	Senior School Improvement Officer (Vulnerable Learners)	NTC	✓ (item 8 only)	✓
Rob Smith	School Improvement Advisor, PE, Sport & Health	NTC	✓ (item 8 only)	✓

Item		Action
1.	Apologies for Absence	
	See Table above.	
	The Chair welcomed everyone to the Schools Forum.	
2.	Attendance Register / Membership	
	The Chair welcome Father Martin Lee to Schools Forum as the new C of E Diocese representative	
3.	Public Meeting / Observers	
	Observers were excluded from the meeting on the grounds that the report contains information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.	
4.	Declarations of Interest	
	Item 5 – The Chair and MS declared an interest in relation to EIP funding	
5.	De-delegated / Centrally Retained Services Claire Emmerson	
	<p>The Chair provided a recap to Forum. Presentation was shown on screen. Main points to note as follows:</p> <ul style="list-style-type: none"> • Background provided • There was a reduction in funding of £292k for 2020/21 which was underwritten by the Authority • Forecast reduction in funding for 2021/22 of circa £197k • Proposals agreed for cessation of funding to support decommissioned buildings (£30k), and a reduction in funding for EIP of 10% (£20,080). DB provided an update on the funding for EIP and how this could be distributed in future to ensure a fair split between EIP and PLP • This would leave the remaining shortfall at £147,019k • Indicative funding is £1.854m • 3 possible options were discussed with further detail on each option provided <p>Discussion followed around:</p> <ul style="list-style-type: none"> • GS asked if the intention by Government is still the same with regard to the difference between intention and what is actually happening. CE noted that operational guidance indicates that the 20% reduction on historical 	

	<p>commitments will continue into future years. However, we do get a slight uplift for ongoing commitments, although we don't yet know if this will continue</p> <ul style="list-style-type: none"> • A query was raised on why the reductions have been identified in the 2 specific areas highlighted. PG noted that there was an obvious impact assessment that could be made for the 2 areas highlighted which is the reasoning for their selection • MY asked what happens to schools in financial difficulty if we re-designate the fund? CE noted that there is currently a reserve balance of £318k in the Schools in Financial Difficulty budget. There is an opportunity to top up the fund from Falling Rolls • LB asked if option 1 & 2 would incur additional payments from school or could the schools in financial difficulty de-delegation be used to compensate for this solely. This was supported by other Forum Members. CE noted that this would be a decision for Schools Forum with the funding split as shown in the presentation or by taking the full amount from the Schools in Financial Difficulty budget • MY asked for some clarity around the LA's statutory duties around vulnerable schools compared to the what is being contributed by the CCSB. The Chair proposed that the working group is formed with the budget holders included in order to review the options and make an informed decision. GS noted that moving forward, the working group(s) can ensure clarity, transparency and use/impact can be sought. • LB noted that schools have to be very specific about the impact of funding and that this is not clear in many of the reports I have read. PM also noted that the reports don't show any performance indicators or identify the educational impact if the funding was adjusted/reduced. The Chair noted that any future reports need to be clear about the impact to better inform future decisions • JC asked if service areas have to report on their funding allocations like schools e.g. budget planning? The Chair noted that we have received reports from service areas in the past. CE noted that once we have identified the working group members and agreed the Terms of reference there will be a clear understanding of what will need to be reported to Schools Forum on an annual basis for each service • DW asked, in terms of statutory duties, will this block ever get to zero and if so, where would the funding then come from? CE noted that the block consists of historic commitments and ongoing responsibilities (includes the statutory duties). It is the historical commitment that are seeing the reduction. The working group will be tasked with making sure this funding is managed in the most efficient way • PM noted that there is a distinction between the statutory duties themselves and the way in which we choose to deliver them • LB asked what about the statutory duties that come under the Schools Support Service and are in the paperwork provided? Where does this funding come from? CE noted that we haven't ased this to that level of detail. DBu noted that she had produced a briefing paper which was circulated to Forum members that highlighted the statutory duties within the School Improvement Service and how that duty is delivered. • MS asked for an update on the review of the criteria for Schools in Financial Difficulty to explore the gap in Special Leave funding? CE noted that if we 	
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	<p>go for Option 1, the £318k is retained for Schools In Financial Difficulty, then for one year only we would look to top this up from the Falling Rolls and any other eligible residual funding and utilise this funding to top up the CSSB.</p> <ul style="list-style-type: none"> • The Chair proposed an amendment to option 1, with all funding (£147k) coming from the Schools in Financial Difficulty fund with a working group established to enable Forum to do further work on the options in advance of making these decisions for the next financial year. • Possible future changes discussed • JW asked if the proposed working groups be looking at lines A - D; separately or collectively together. CE noted that the approach is still to be agreed. A clear Terms of Reference will need to be agreed along with the membership <p>Recommendations: The Forum is asked to consider:</p> <ul style="list-style-type: none"> • Option 1 as discussed and amended, with the full £147k coming from Schools In Financial Difficulty for one year Forum agreed • Establishing a working group(s) for each of the remaining CSSB lines Forum agreed • Current Schools Forum members that have indicated an interest in being involved in the working group(s) include: John Croft, Barbara Middleton, David Watson, Jill Wraith, Laura Baggett and Michael Young. Full membership and Terms of Reference is yet to be decided • Progress is to be reported back to Schools Forum Easter 2021 with final Report to Schools Forum July 2021 	
6.	Any Other Business	
	CP reminded Forum that nominations will be required for the roll of Vice Chair for the next meeting	
7.	Date of next meeting	
	Wednesday, 13 th January 2021 at 12:30pm	



Briefing note

To: Schools Forum

Author: Claire Emmerson

Date: 13 January 2021

Purpose of the Paper:

Information	
Consultation	√
Decision	√

Title of Briefing: Update on 2021/22 DSG Values and Funding Distributions including Proposals re: High Needs and Early Years and request for approval of De-delegated and Centrally Retained items and the proposed growth policy.

Purpose of Paper

- 1.1 This paper provides an outline of the current information available relating to 2021/22 for each funding block of the Dedicated Schools Grant (DSG) following the initial allocations announced on 17 December 2020.
- 1.2 It also summarises High Needs and Early Years block funding for 2021/22.
- 1.3 The paper requests approval from Forum for de-delegated and centrally retained items.
- 1.4 The paper requests approval from Forum of the growth policy proposed by the Authority.

Update on 2021/22 Funding Allocations after publication on 17 December 2020

- 2.1 On 17 December, the Department for Education (DfE) published the initial allocations for each block of the DSG. The DSG will continue to be comprised of four blocks: schools, high needs, early years and central school services. Each of the four blocks has its own funding formula.
- 2.2 The North Tyneside allocation for the DSG in 2021/22 using October census 2020 and including funding previously allocated as grants for pay awards and pension increases is shown in table 1 below with prior year figures for comparison;

Table 1: Schools Block 2021/22 allocation compared with Prior Years

Block	2017/18 Baseline £m	2018/19 £m	2019/20 £m	2020/21 £m	Actual for 2021/22* £m	Increase 2020/21 to 2021/22 £m
Schools	115.395	116.594	120.926	126.794	137.231	10.437
Central School Services	2.500	2.314	2.343	2.051	1.877	(0.174)
High Needs	18.680	19.291	19.818	23.319	26.418	3.099
Early Years Block	12.064	13.553	13.514	13.749	13.946	0.197
TOTAL	148.639	151.753	156.601	165.913	179.472	13.559
Change from 2017/18 Baseline £	-	3.113	7.961	17.273	30.833	
Change from 2017/18 Baseline %	-	2.1%	5.4%	11.6%	20.74%	
Change per Year £	-	3.114	4.848	9.312	13.559	
Change per Year %	-	2.10%	3.19%	5.95%	8.17%	

* Includes pay award and pension grants previously separate to DSG

Schools Block

- 2.3 In 2021/22, as in each year since 2018/19, the local authority (LA) will receive its DSG funding based on the DfE national funding formula (NFF). Following consultation with Schools which took place during October and November 2020 the Authority are proposing to move the allocation from the previous local funding formulae (LFF) to the National Funding Formula in full in 2021/22. The proposed Schools block rates are shown in Appendix A.
- 2.4 Forum will recall, as discussed at the 26 November 2020 meeting, that the DfE have restricted the range of a Minimum Funding Guarantee (MFG) between the +0.5% and +2.0%. Using any residual funding to maximise the MFG a rate of 0.7% has been used, subject to final approval.
- 2.5 In addition to the use of MFG to minimise impact of the change, the Authority will be setting a capping rate at 4.25%. Schools will still achieve increased rates where their pupil numbers have increased.
- 2.6 Forum should note that as the Authority Proforma Tool (APT) is finalised and will be submitted to the DfE for the 21 January deadline other values may still be subject to further minor changes.
- 2.7 For illustrative purposes Appendix B includes an overview of the changes in pupil numbers and funding by Phase from 2020/21 to 2021/22. This funding now includes the pay and pension grants, which have been rolled into the School block.
- 2.8 As in previous years the Authority is proposing to deduct £0.250m from the Schools block to fund falling rolls. In addition, the Authority is proposing to deduct £0.710m to support growth funding which is covered in section 7 of this report. The total funding therefore available to distribute to schools using the local funding formula is £136.140m.

High Needs Block

- 3.1 The £26.148m figure outlined above for the 2021/22 High Needs block reflects the increased funding announced by the DfE and includes funding previously paid as separate grants for pay award and pension increases. The £3.1m year on year increase is therefore covering these costs going forward.
- 3.2 Forum will recall as previously reported at the 26 November 2020 meeting, the High Needs block outturn for 2019/20 was an overspend of £4.542m, with an in-year pressure of £3.690m occurring in 2020/21. Despite an increase in funding of £3.006m in 2020/21, the pressure within High Needs has continued to increase with a forecasted in-year outturn variance of £3.690m and therefore an estimated total cumulative overspend of just over £8.232m.
- 3.3 The factors driving the pressures shown above were outlined in the report to Forum on 26 November. The latest position on these pressures is shown in table 2.

Table 2: Forecasted High Needs Overspend as at December 2020

Provision	Budget £m	Forecast £m	Variance £m	Comment
Special schools and PRU	13.000	15.054	2.054	Increased numbers of places required, approximately 100 extra over budget
ARPs/Top ups	3.655	4.551	0.896	Pressures in pre 16 and post 16 top-ups
Out of Borough	2.515	3.170	0.655	Increased number and costs of out of borough, plus increased complexity of cases
Commissioned services	3.957	4.041	0.085	
Sub-total	23.127	26.817	3.690	
2019/20 B/Fwd			4.542	
Total			8.232	

Special Schools and the Pupil Referral Unit (PRU)

- 3.4 There is a pressure of £2.054m relating to this area. The Authority has seen increasing numbers of children and young people within the education system with significant needs requiring specialist provision. This is particularly relating to Autism Spectrum Disorder (ASD) and Social, Emotional and Mental Health needs (SEMH). The Authority has increased the numbers of places within in special schools to cope with this additional demand. Number of places have increased as follows:

Table 3: Increase in Special School Places in 2020/21

Special schools and Moorbridge	Planned Places	October Census 20	Movement
Beacon Hill	180.4	190	+9.6
Benton Dene	116.6	122	+5.4
Silverdale	83	102	+19
Southlands (Main Site)	123	129	+6
Southlands (Melrose Site)	0	32	+32
Woodlawn	106.2	122	+15.8
	609.2	697	+87.8

- 3.5 Special schools are funded with £10,000 per place, with this increase in numbers representing an increased spend of £0.878m, plus a top-up based on a banding which is reflective of the needs of each individual child. Funding values for each banding is shown in Table 4 below. The majority of pupils attending special schools attract band 4 and band 5 top-up levels. The forecast cost of special school top-ups has risen from a planned £4.928m to £6.152m.

Table 4: Special School Top Up Values by Banding

Band	Top up value £
Band 1	0
Band 2	3,341
Band 3	6,682
Band 4	9,507
Band 4	19,221

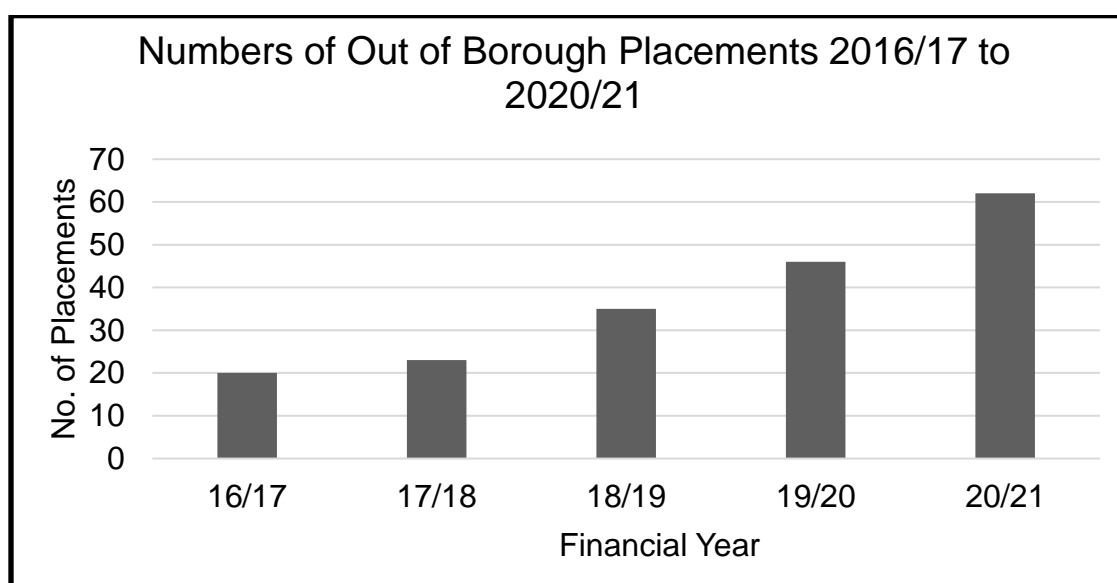
ARPS and Mainstream Top Ups (Pre 16)

- 3.6 There are pressures of £0.896m within Additional Resourced Provision (ARP) and top-up costs within mainstream schools due to increasing numbers of children and young people with additional needs and the rising average complexity of those needs. Top-up funding is paid to support children with additional needs in mainstream school. This is paid on the basis of an hourly rate reflecting the costs of additional staffing support outlined within the individual child's Education, Health and Care Plan (EHCP). Levels of top-up payments to mainstream schools have risen in the last four years with an overall increase in the numbers of children and a rise in larger packages of support reflecting the increasing complexity of needs.

Out of Borough Placements

- 3.7 In some instances, the Authority is unable to meet the needs of an individual child or young person and an out of borough placement is made. This can be made with a local private provider. This area of expenditure is showing a pressure of £0.655m due to increasing numbers of placements made with 62 children attending out of borough providers at November 2020 compared to 35 in 2018/19 and only 20 in 2016/17. The increasing use of these placements is illustrated in Chart 1 below.

Chart 1: Numbers of Out of Borough Placements 2016/17 to 2020/21



High Needs Recovery Plan

- 3.8 A team of officers from Health, Education, Care and Safeguarding and Commissioning and Asset Management are working on a High Needs recovery plan in line with Department for Education requirements, with support from Finance. The plans to mitigate the pressures on High Needs include measures described in the following paragraphs.

Refusals to Assess

- 3.9 There is an increase in children and young people who, on receiving a request for an Education Health and Care Needs Assessment, are now determined that their needs can be met within the Local Offer. The same is true for those where, at the conclusion of the Education Health and Care Needs Assessment, we determine that they do not require an Education Health and Care Plan and that their needs can be met within the Local Offer. This has been a shift of 1% in 2019 to 20% in 2020.

Developing the North Tyneside Inclusion Strategy

- 3.10 A new North Tyneside Inclusion Strategy is currently being developed to strengthen the Authority's capacity to meet the needs of children with SEND in line with our North Tyneside Children's Services Pledges to:

- Intervene early with evidence based, family focussed services;
- Work in partnership to keep children in school;
- Keep children safe at home and connected to their local communities.

- 3.11 The Authority, schools and partner agencies will ensure a whole system approach to inclusion across education, health and social care. The new strategy will:

- seek to clarify our vision for inclusion and build consensus around our shared expectations and consistency of approach across the borough;
- describe our shared purpose, principles and priorities across education, social care and health;

- provide the framework and direction to ensure that the right provision is in place to meet the changing needs of children with SEND;
- enable us to identify the actions we will take to improve the lived experience of our children and young people with SEND.

Strengthening the ‘Graduated Response’ in Mainstream Schools

- 3.12 Children with SEND in mainstream schools should be supported through a four-stage cycle of assess, plan, do and review, known as the graduated approach. Schools are expected to make reasonable adjustments and use their best endeavours to meet the needs of children and young people, before seeking statutory assessment or requesting High Needs top-up funding. The graduated response work will be a key component of the new Inclusion Strategy.
- 3.13 The development of the graduated response work also seeks to strengthen the gatekeeping around access to High Needs top-up funding, to ensure greater equity and value for money in the way funding is allocated and used.

Managing demand for out of borough placements

- 3.14 There has been an increase in requests from parents for placements in independent, non-maintained special schools and colleges. Our priority is to support as many children as possible to be educated in borough and, for that reason, we continue to fund additional places in North Tyneside special schools. Alongside that, further resources have been agreed to strengthen the therapy offer into our local special schools. This includes a SEND Project Lead employed by Northumbria NHS Foundation Trust who will co-ordinate this joint working, plus additional capacity for the NHS therapy teams working directly with school staff and with children.

Early Years Funding for 2021/22

- 4.1 The local authority is currently awaiting guidance from the Department for Education regarding the funding arrangements for the Spring Term 2021 and the Spring Term census, following the national lockdown measures. Once clarification is received, an analysis of the implications for the early years block will be carried out and any additional spending pressures identified. Should any early years budget surplus exist following the spring term payments, a prudent contingency will be carried forward. This will protect the early years funding block in light of the continuing uncertainty and volatility facing the sector during the forthcoming financial year. Any additional surplus will be returned to providers of the early years entitlements.
- 4.2 On 19 December 2020 the Department for Education released the 2021/22 early years entitlement funding rates for local authorities. The Authority is modelling proposals for North Tyneside’s early years funding formula 2021/22 and will share proposals with the sector for comment before finalising the local funding formula.

Central Block Funding for 2021/22

- 5.1 Funding for the Central Block has been reduced by DfE in relation to historical funding by £0.249m, which represents a 20% reduction in funding for the historic commitments. Ongoing functions have had an increase of 2.4% as shown in table 5 below.

Table 5: Allocations for North Tyneside CSSB 2021/22

	2019/20 £m	2020/21 £m	2021/22 £m	Change £m	Change %
Ongoing Functions	0.788	0.807	0.882	0.075	9.3
Historical Commitments	1.555	1.244	0.995	(0.249)	(20.0)
Total	2.343	2.051	1.877	(0.174)	8.48

5.2 The list of services provided via CSSB funding is listed in table 5. The net reduction in funding of £0.174m is identified in this table. Forum will recall from the December report that authorities can challenge the reasonableness of the reduction in funding by providing relevant evidence to the DfE.

5.3 Following consultation with School Forum in December, the Authority will set the funding for these services as identified in table 5 below. The funding reduction has been accommodated by reducing the Schools Support Service by £0.029m, removing the contribution to High Borrans of £0.095m, the contribution to EIP has been reduced by £0.020m and the £0.030m de-commissioned buildings budget contribution has also been removed.

As agreed at Forum in December for 2021/22 only the schools in financial difficulty de-delegation is to be re-designated to support the reduction for the School Support Service and High Borrans, totalling £0.124m. 2021/22 will be a transitional year, with the funding gap being met from the de-delegated allocation for schools in financial difficulty, with academies and special schools paying full commercial rates for High Borrans.

Table 6: Illustrative allocations for North Tyneside CSSB for 2021/22

Budgets which now form part of the CSSB	CSSB 2020/21	CSSB 2021/22
Budget to fund the Schools Support Service	585,013	556,256
Budget to support vulnerable schools.	52,044	52,044
Budget to maintain High Borrans Outdoor education facility	95,000	0
Budget for the Education Improvement Partnership (secondary schools)	100,398	80,318
Budget to support the informational requests of the Schools Forum and improved budgetary awareness across all schools	30,125	30,125
Collective contribution to ongoing pension costs incurred when allowing teachers to leave schools prematurely	624,951	624,951
Budget for costs associated with de-commissioned school buildings	30,000	0
Schools admission service	141,570	141,570
Former Education Services Grant (Retained)	243,572	243,572
National Copyright Licences	148,426	148,169
Total CSSB Funding	2,051,099	1,877,005*

*Overall allocation of £28,757 to be funded by re-designated de-delegation

5.4 The Authority will continue to work with Forum to identify any solutions to manage the long-term funding gap for service provision via other means, including but not limited to prioritising key outcomes and reviewing alternative funding such as under a service level agreement or similar.

De-delegated services

- 6.1 De-delegated services are for maintained schools only; funding for de-delegated services must be allocated through the mainstream formula but can be passed back, or 'de-delegated', for maintained primary and secondary schools with Schools Forum approval.
- 6.2 The list of proposals for de-delegations for 2021/22 is included in table 7 below:

Table 7: De-delegation proposals for 2021/22

Narrative	De-delegated 2020/21 £	De-delegated 2021/22 £	Rate per Pupil £
Budget to support mainstream maintained schools in financial difficulty (used for one year in 2021/22 to meet gap for CSSB)	133,357	127,726	5.62
Support for vulnerable Headteachers for those incidents where independent support and advice is necessary	38,916	37,272	1.64
Support for minority ethnic pupils and under-achieving groups. (EMTAS) NB: rate per pupil only applies to pupils that meet the EAL Threshold	431,550	193,605	550
			1,485
Assessment of Free school meals eligibility	37,492	35,909	1.58
The current central scheme to cover staff costs - supply cover. E.g. the maternity/paternity/adoption cover scheme, including Union facility time costs and Jury Service	602,956	595,902	26.22
Additional agreed funding for above staff costs to agreed 2020/21 6% increase	19,072		
Totals	1,263,343	990,414	

Growth Policy for 2021/22

- 7.1 In accordance with the guidance relating to the Schools block, the Authority can set aside funding to support growth. Growth funding enables local authorities to support schools with significant in-year pupil growth which is not otherwise immediately recognised by the lagged funding system. Growth funding for schools is provided within local authorities' Schools block National Funding Formula (NFF) allocations. From 2019/20 growth funding was allocated to local authorities using a new formulaic method based on lagged growth data. North Tyneside's notional growth fund allocation for 2021/22, based on historic lagged data, is £0.710m. The Growth Fund can only be used to:

- Support growth in pre-16 pupil numbers to meet basic need;
- Support additional classes needed to meet the infant class size regulation; and
- Meet the costs of new schools

An authority may make an allocation from the Growth Fund in respect of expenditure for the education of the additional pupils, who have joined the school after the beginning of the Autumn term during the financial year, where without this expenditure the education

of these pupils would be seriously impaired and because of both the size and unexpectedness of the expenditure, it would be unreasonable to expect the governing body to meet these costs from the school's budget share.

- 7.2 For 2020/21 the Authority, in consultation with Schools Forum, created a Growth Fund of £0.250m to support schools where growth in pupil numbers required additional funding and where this growth met the criteria set out by the DfE. The Authority has consulted with the Sub-group of Schools Forum and have agreed in principle the draft Growth Policy, this is attached to this report as Appendix C. To assist in understanding how the growth policy will be applied a flow chart has been included as part of Appendix C which shows the circumstances of when growth funding is necessary and how allocations will be made.
- 7.3 Based on the criteria set out in the policy there are 6 schools who are eligible for growth funding in 2020/21, the schools and proposed funding allocations are included in table 8 below.

Table 8: Schools Eligible for Growth Funding in 2020/21

School	Pupil Numbers	Growth Funding Allocation £
Wallsend Jubilee	25	41,635
Marden Bridge	36	72,975
Marden	45	122,229
Churchill	28	72,386
George Stephenson	16	41,363
Longbenton	28	76,053
St Thomas Moore	18	46,534
Total Growth Funding Allocation		473,157

The total value of growth funding to be allocated to schools is £0.473m. The growth funding allocation set aside for 2020/21 is insufficient to cover the full allocation needed. In accordance with the DfE guidance, the Authority can allocate funding above that which has been set aside in any financial year. However, any deficit needs to be recovered from the next years schools block growth allocation. Based on estimated growth numbers for 2021/22 the Authority estimates that a similar level of growth funding will be needed in 2021/22.

- 7.4 The following table 8 below shows the growth funding requirement for 2020/21 and the deficit which will need to be recovered from the 2021/22 allocation:

Table 8: Growth Funding Requirement 2020/21 & 2021/22

	Growth Funding £m
2020/21 Growth Fund	(0.250)
2020/21 Growth Funding Allocations	0.473
2020/21 Overallocation	0.223
2021/22 Growth Fund	0.710
2020/21 Overallocation	(0.223)
2021/22 Growth Fund	0.487

Therefore, the full Growth Fund allocation of £0.710m needs to be set aside in 2021/22.

Recommendations

8.1 Schools Forum is asked to;

- Note update on the allocations for 2021/22 for each of the four funding blocks and the proposals for the distribution of funding;
- Note the changes to the Schools block funding and the impact of the changes following 100% movement to the NFF;
- Approve the services funded under CSSB as outlined in table 5;
- Acknowledge the pressure in the High Needs block;
- Acknowledge the changes to Early Years funding allocations proposed for 2021/22 and that the funding formula will be shared with the sector prior to implementation;
- Agree to offset the in-year impact of the CSSB funding for the Schools Support Service and High Borrans using the schools in financial difficulty allocation;
- Approve the de-delegated items rate per pupil outlined in table 6; and
- Approve the Growth Policy & Funding allocation for 2020/21 and the level of growth funding for 2021/22.

Appendix A

Proposed School Block Rates for 2021/22 (100% National Funding Formula)

FACTOR	20/21 LFF 50% TOWARDS NFF		21/22 NFF (Incl. TPPG & Supplementary)		Difference 20/21 to 21/22	
	Primary	Secondary	Primary	Secondary	Primary	Secondary
Basic entitlement						
Primary (Years R-6)	2,855		3,123		268	
Key Stage 3 (Years 7-9)		4,095		4,404		309
Key Stage 4 (Years 10-11)		4,937		4,963		26
Basic Entitlement Surplus Allocation						
Primary (Years R-6)	159.77					
Key Stage 3 (Years 7-9)		229.17				
Key Stage 4 (Years 10-11)		276.29				
Deprivation						
FSM	225	225	460	460	235	235
FSM6	561	841	575	840	14	-1
IDACI Band F	105	150	215	310	110	160
IDACI Band E	235	366	260	415	25	49
IDACI Band D	335	486	410	580	75	94
IDACI Band C	388	564	445	630	57	66
IDACI Band B	440	641	475	680	35	39
IDACI Band A	560	804	620	865	60	61
LAC (No longer used)						
EAL	1,212	1,212	550	1,485	-662	273
Mobility	563	750	900	1,290	338	540
Prior Attainment	676	1,129	1,095	1,660	419	531
Lump Sum	132,200	142,200	117,800	117,800	-14,400	-24,400
Sparsity (N/A in NT)	13,000	33,800	45,000	70,000	32,000	36,200

Schools Block Allocation Model - 2021/22

PHASE	NOR 20/21	NOR 21/22	Change in NOR	% Change NOR
Academies	3,180	3,222	42	1.32%
First	2,228	2,226	-2	-0.09%
Primary	12,403	12,325	-78	-0.63%
Middle-deemed Secondary	1,922	1,955	33	1.72%
Secondary	7,176	7,266	90	1.25%
Grand Total	26,909	26,909	85	0.32%

MODEL 2 (1:1.30 Ratio Primary to Secondary) MFG: 0.70%, Capping: 4.25%			
20/21 LFF	21/22 Post MFG Budget	Movement from 20/21 LFF	% Increase from 20/21 LFF
16,120,524	17,436,361	1,315,837	8.16%
8,898,943	9,765,320	866,376	9.74%
51,465,666	55,486,182	4,020,516	7.81%
8,513,965	9,425,479	911,515	10.71%
41,293,540	44,026,773	2,733,233	6.62%
126,292,638	136,140,115	9,847,477	7.8%

Growth Fund Policy

Background

At the meeting on 16 January 2020 Schools Forum were advised that in accordance with the guidance relating to the Schools block, the Authority can set aside funding to support growth. Growth funding enables local authorities to support schools with significant in-year pupil growth which is not otherwise immediately recognised by the lagged funding system.

Growth funding for schools is provided within local authorities' Schools Block National Funding Formula (NFF) allocations. From 2019/20 growth funding was allocated to local authorities using a new formulaic method based on lagged growth data. North Tyneside's notional growth fund allocation for 2020/21, based on historic lagged data, was £0.745m. Schools Forum approved the Authority's proposal to create a Growth Fund of £0.250m to support schools where growth in pupil numbers requires additional funding and where this growth meets the criteria set out by the DfE.

The creation of the Growth Fund requires Schools Forum to agree the criteria for the administration and distribution of the funding. The Authority will then apply the criteria as set and will consult with Schools Forum prior to any allocation from the fund being made in a similar way to the allocation of falling roll funding. The Sub-Group of Schools Forum have worked with officers from the Authority and have reviewed the proposed draft Growth Fund policy. The sub-group have agreed the principles of the proposed growth fund policy and recommend that Schools Forum

Government Guidance

Growth fund allocations are governed by the guidance provided by the Education & Skills Funding Agency (ESFA) and notes conditions / criteria regarding the application of such, the main stipulations within the guidance note:

The growth fund can only be used to:

- support growth in pre-16 pupil numbers (excluding nursery classes) to meet basic needs;
- support additional classes needed to meet the infant class size regulation; and
- meet the revenue cost of new schools.

Local authorities are responsible for funding these growth needs for all schools in their area, for new and existing maintained schools and academies. Local authorities should fund all schools on the same criteria. Where growth occurs in academies that are funded by Education and Schools Funding Agency (ESFA) on estimates, ESFA will use the pupil number adjustment process to ensure the academy is only funded for the growth once.

The costs of new schools will include the lead-in costs, for example to fund the appointment of staff and the purchase of any goods or services necessary in order to admit pupils. They will also include post start-up and diseconomy of scale costs. These pre and post start-up costs should be provided for academies where they are created to meet basic need.

ESFA will continue to fund start-up and diseconomy costs for new free schools where they are not being opened to meet the need for a new school as referred to in section 6A of the Education and Inspections Act 2006.

The growth fund must not be used to support:

- schools in financial difficulty; any such support for maintained schools should be provided from a de-delegated contingency; and
- general growth due to popularity; this is managed through lagged funding.

Proposed methodology for allocating funds for pupil growth in existing North Tyneside schools

Growth funding is applicable to pre16 growth in mainstream schools. It is appropriate to update Schools Forum of the criteria and to refresh it in accordance with the latest Schools Admissions Code and the Schools revenue funding 2020 to 2021 Operational Guidance.

The local authority is required to publish the methodology used to provide additional growth funding to schools and academies and it must be applied in the same way regardless of the type of school.

Growth funding will apply where a school/academy:

- has increased its PAN, or agreed to admit over PAN at the request of the authority, to provide an extra half form of entry or greater to meet basic need in the area (caused by general population growth or housing development) as an on-going commitment;
- has agreed with the authority to provide a number of places as a bulge class as a consequence of school reorganisation or to meet short term additional needs;
- where a new school is built or an existing school increases number of year groups, at the request of the Authority, to meet growth in the area additional funding will be allocated until the school reaches normal occupancy; and
- Funding is triggered where the agreed increase in pupils exceed 15.

Growth funding will **NOT** apply where a school/academy:

- Increases its PAN by choice but not agreed with the local authority as part of the process to meet basic need in the area;
- Admits over PAN by choice (not to meet agreed basic need);
- Where pupils are admitted above a school's PAN as a consequence of appeal or error in the school admissions process;
- General growth due to popularity; which is managed through lagged funding; and
- Is in financial difficulty and the LA has not agreed to an increase in the PAN.

Where the LA has not specifically requested a school to operate an additional class, the school will be required to provide evidence that an additional class or tutor group and/or significant restructure would be required to meet basic need. An additional class would be assumed to increase the year group numbers by at least 15 pupils this will require verification by School Improvement officers and Finance.

A class is defined as "additional" if it requires a change in the school's current or historical class organisation or number of classes, with an increase of at least 15 pupils in any given year group. In Primary schools this may result in mixed year teaching where numbers dictate, and this is seen as the most prudent option for the organisation of the school as whole.

Schools that have historically operated mixed-age classes or have a PAN in a multiple of less than 15 would be normally expected to operate some mixed-age classes. (The Growth Fund cannot be used to reduce class sizes.)

Should additional pupils be admitted following successful appeals the expectation is that the school would be able to accommodate these without the need to reorganise or employ an additional teacher.

The requirement for additional classes or forms of entry will be reviewed on a case-by-case basis. Funding will be allocated based on the requirement for additional support / classes / forms of entry.

The fund will not be applied retrospectively and will only apply to increases in class size agreed for the 2020/21 academic year and beyond.

In instances where actual growth was at lower levels than original estimates schools will not be subject to claw-back on any funding already allocated.

Proposed methodology for allocating funds

When applying for growth funding, schools will be required to provide evidence that an additional class or tutor group would be required to meet increasing numbers. This will need to be independently verified by appropriate officers within the Authority (to be agreed).

Allocations will be calculated per additional pupil using the applicable AWPU rates for Primary, Secondary KS3 and Secondary KS4 pupils.

Amounts payable to maintained schools will be pro-rata for the 7/12th period September to March. Amounts payable to academies will be for the full academic year as academy budgets run from September to August.

For schools receiving funding for taking pupils from closing schools not in reception or year 7 funding will be based on the average per pupil funding of that school. Maintained schools will receive 7/12th funding and academies for the full academic year.

Initial growth funding allocations would be based on admissions data and demographic forecasts to aid schools with budget setting (May/June). Where there is uncertainty or disagreement around the predicted pupil numbers, funding will not be allocated until receipt of the actual October census data.

Proposed methodology for allocating funds costs in new schools and for increasing year groups in an existing school

Growth funding would be provided to a new mainstream school, including new academies where the school is opening in response to basic need as identified by the Authority. This funding does not apply for existing schools converting to academies or other statuses.

Funding would be allocated to schools who meet the criteria as a lump sum based on proposed school PAN:

Pupil number range	1st year	Subsequent years
Primary	£75,000	£60,000
Middle	£100,000	£80,000
Secondary	£150,000	£120,000

The application would be considered in the year of opening and thereafter for each year until the school was deemed to have reached normal occupancy.

Proposal for unused Growth Fund

In the event that no school within North Tyneside were eligible / met the Growth Fund criteria in any given year, the following applies:

- a) Where possible a growth fund balance to be maintained, to be added to annually at the agreement of Schools Forum;

- b) Where allocations exceed fund balance, the deficit is rolled to the following year and is taken from that year's allocation before considering new allocations;
- c) the growth fund is not aggregated with the falling roles / headroom funds and is ringfenced for the specific purpose; and
- d) there is no transfer back to academies of any part of the remaining balance subject to use for its intended purpose.

Recommendations:

Schools Forum sub-group having read this report and clearly understanding the information provided and having asked sufficient questions to ensure clarity:

1. note the contents of this report;
2. consider the recommendations being made for growth fund, and
 - a. determine whether or not they agree with proposed criteria that will qualify for an application to the growth fund;
 - b. determine that the methodology suggested is in line with the DfE requirements;
 - c. agree funding is based on:
 - i. current AWPU rates for the Authority; and
 - ii. A lump sum for new schools, split between first and subsequent years.
 - d. No clawback of funding will occur if expected growth numbers are not met.
3. to agree retention of unused growth fund;
4. to agree that there should be in place an annual review of this policy that provides an update regarding the operation of these funds, prior to the funding allocations being made; and
5. to recommend the annual timetable for administering the fund and reporting back to Schools Forum.

