



Agenda

Meeting: North Tyneside Schools Forum

Date: Wednesday 12 July 2023
12:30 – 14:30

Location: The meeting will be held virtually and will be live streamed at the following link:
<https://www.youtube.com/watch?v=GpIC8gMgVVY>

Agenda

Ref.	Item	Lead
1	Apologies and welcome	Chair
2	Attendance Register / Membership / Roles & Responsibilities	Chair
3	Virtual Public Meeting / Observers (*)	Chair
4	Declaration of Interest	Chair
5	Minutes of the last meeting <i>Circulated – Pages 5–15</i>	Chair
6	Matters Arising (not on the agenda) <i>Verbal Update</i>	Chair
7	Finance Update <i>Circulated – Pages 17–23</i>	CE
8	Fallings Rolls and Growth Fund Proposed Allocations <i>Circulated – Pages 25–30</i>	CE
9	Reports from Services for 2024/25 Financial Year Proposal <i>Verbal Update</i>	Chair
10	DfE Safety Valve Intervention Programme First Submission (Term 1) <i>Presentation / Verbal Update</i>	MM/CE
11	Proposed Meeting Arrangements 2023/24 <i>Circulated – Page 31</i>	Chair
12	Any Other Business	All
This is to give notice of the intention to consider item 13 below in private. Observers will be excluded from the meeting for the following items of business on the grounds that the report contains information relating to the financial or business affairs of any particular person (including the authority holding the information).		
13	Redundancy & Early Retirement Costs – Annual Update <i>Confidential Report Circulated</i>	CP/CE
14	Date and Time of Next Meeting: Thursday 21 September at 12:30 via Microsoft Teams (TBC)	

North Tyneside Schools Forum Member Roles & Voting							last updated September 2019	
de-delegation Primary	de-delegation Secondary	scheme for financing schools	consultation on funding formula	General Duties	Retained Duties	all other matters		
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

Timetable & Forward Plan 2022/23

Date	Activity	Responsible
21 September 2022	<u>Schools Forum Meeting</u> 1. To include appointment of Chair and Vice Chair 2. Review of the Constitution and supporting documents 3. Schools Finance Update	Schools Forum
6 October 2022	School Census Day	DFE/ESFA
10 October 2022	Application for submitting disapplication requests	Local Authority
9 November 2022	<u>Schools Forum Meeting</u> 1. Finance Update 2. National Funding Formula and Outcome of Consultation 3. School Forum Constitution and Action Plan Review 4. Consideration of Special Leave for 22/23 Financial Year	Schools Forum
18 November 2022	Deadline for submitting disapplication requests	Local Authority
18 November 2022	Deadline for submitting disapplication requests if wish to move more than 5% of the Schools block	Local Authority
2 November 2022	School census database closed. Checks and validation commences	DFE/ESFA
11 January 2023	<u>Schools Forum Meeting</u> 1. Finance Update 2. Consideration of Special Leave for 22/23 Financial Year	Schools Forum
TBC	Submit final proposals re APT	Local Authority
20 January 2023	Deadline for submissions of final 2022 to 2023 APT to ESFA	Local Authority
6 February 2023	Cabinet Meeting for approval of 22/23 Schools Funding	Local Authority
20 February 2023	Cabinet Meeting	Local Authority
27 February 2023	Deadline for confirmation of Schools budget shares to mainstream maintained schools.	DFE/ESFA
22 March 2023	<u>Schools Forum Meeting</u> 1. Finance Update 2. Schools In Financial Difficulty	Schools Forum
27 March 2023	Cabinet Meeting	Local Authority
12 July 2023	<u>Schools Forum Meeting</u> 1. Reports from Services for 24/25 Financial Year Proposal 2. Schools Finance Update 3. Responsibilities for Redundancy & Early Retirement Costs – Annual Update	Schools Forum

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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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	<p>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.</p> <ul style="list-style-type: none"> • 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. 	
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	<ul style="list-style-type: none"> • 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. <p>Recommendations</p> <p>Schools Forum is asked to:</p> <ul style="list-style-type: none"> • Note the forecast position for schools after the 1st termly monitoring process; <p>Noted</p>	
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	<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.	

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**North Tyneside
Council**

Item 7

Briefing Notes

To: Schools Forum

Date: 12 July 2023

Author: Claire Emmerson

**Purpose of
the Paper:**

Information

Consultation

Decision

✓

Title of Briefing: Finance Update

1. Purpose of Paper

- 1.1. This paper provides an outline of the overall school's provisional outturn position for 2022/23 pending the outcome of the external audit which is due to commence in July 2023. A summary of the High Needs and Early Years budget outturn position is also included.
- 1.2. The paper will cover initial proposals for refinement of the National Funding Formula for 2024/25.

2. Schools Outturn Balances in 2022/23

- 2.1. Schools have concluded their 2022/23 accounts closure in line with the Local Scheme for Financing Schools and the Authority's revised year-end timetable. Collective school balances in North Tyneside maintained schools, decreased from a surplus of £3.398m at the start of the year to a closing deficit of £0.382m. This position is significantly better, by £5.151m, than the forecast at the start of the year when the outturn was expected to be an overall deficit of £5.533m. However, it is also a significant shift from the previous surplus position, and this has highlighted the risk to the Authority relating to the level of school balances and the ability of those schools with surplus balances covering the deficit balances of some schools. The most recent monitoring performed with schools during the year and completed in Spring 2023 showed an overall forecast deficit balance of £4.419m.

- 2.2. The final position for schools is reported in the Authority's statutory accounts and is before any commitments, which are in a normal year around £4.5m (the full value of commitments for 2022/23 is still to be confirmed and won't be known until the end of July 2023). The reported position across 2022/23 is analysed below in Table 1 by phase:

2.3. **Table 1: Maintained School balance position against plan (Surplus) / Deficit – committed and uncommitted**

Phase	Outturn 2021/22	Budget Plan 2022/23	Monitoring 1 2022/23	Monitoring 2 2022/23	Provisional Outturn 2022/23	Actual Movement from 2021/22
	£m	£m	£m	£m	£m	£m
Nursery, First & Primary	(7.312)	(4.957)	(3.382)	(4.459)	(5.529)	1.783
Middle	(1.408)	(0.716)	(0.685)	(1.422)	(1.655)	(0.247)
Secondary	5.943	9.907	10.041	9.109	6.822	0.879
Special / PRU	(0.621)	1.299	1.479	1.191	0.744	1.365
Total	(3.398)	5.533	7.453	4.419	0.382	3.780

3. School Deficits

- 3.1. Forum will be aware that, under legislation, schools retain a high degree of autonomy when setting budgets unless they are in a deficit position. Therefore, whilst the Authority can advise schools on the adequacy of balances, it cannot intervene. Schools have been reminded of the need to forecast as accurately as possible so that decisions are taken in the light of accurate budget projections.
- 3.2. Some schools continue to face significant financial challenges. There are currently fourteen schools that have submitted a deficit budget plan for 2023/24. Schools Forum should note that there are five new schools requiring a licenced deficit agreement in 2023/24. The nine schools that continue to require support from the Authority were in deficit at the end of the 2022/23 financial year.
- 3.3. Of these nine schools one had a structural deficit in 2022/23 which continues into 2023/24. The Authority agreed with the Education and Skills Funding Agency (ESFA) to allow their School Resources Management Advisors

(SRMAs) to work with the four schools that were new to deficit in 2022/23, along with Beacon Hill Special School to produce a comprehensive review of their finances, leading to a budget deficit plan. This work was carried out in the autumn term.

- 3.4. Initial deficit review sessions for the majority of the fourteen schools forecasting budget deficits for 2023/24 are planned in July 2023. Deficit sessions for the Special Schools will be held in September to allow time for work on pupil numbers and bandings to be complete. Before any adjustments identified during the upcoming challenge sessions and the allocation of falling rolls and headroom funding, the balances of these fourteen deficit schools are expected to total £14.826m with individual school deficit values shown in Table 2 below.

3.5. **Table 2: Schools in an expected deficit position 2023/24**

Deficit School Positions 2023/24	Outturn 2022/23 £m	Budget Plan 2023/24 £m	Movement £m	Comments
Benton Dene	(0.018)	0.022	0.039	New Deficit
Forest Hall	0.013	0.052	0.039	New Deficit
Greenfields	0.078	0.041	(0.037)	New Deficit
Whitehouse Primary	0.044	0.008	(0.036)	New Deficit
Silverdale	0.044	0.079	0.035	New Deficit
Monkseaton High	5.546	6.128	0.582	Structural Deficit
Coquet Park	0.051	0.157	0.106	Existing Deficit
Holystone	0.133	0.129	(0.004)	Existing Deficit
Balliol Primary	0.097	0.125	0.028	Existing Deficit
Wallsend St Peter's	0.092	0.113	0.022	Existing Deficit
Ivy Road Primary	0.149	0.164	0.015	Existing Deficit
Longbenton High	1.697	1.510	(0.187)	Existing Deficit
Norham High	3.984	4.352	0.369	Existing Deficit
Beacon Hill	1.232	1.946	0.714	Existing Deficit
Total	13.142	14.826	1.684	

4. Dedicated Schools Grant (DSG) 2022/23 Outturn

- 4.1. After allowing for school allocations, the 2022/23 DSG account of £159.242m (after removing academy funding) is showing a net deficit balance of £8.340m. This compares to a deficit of £12.851m in 2021/22. Forum will recall

that in 2019/20 the DfE issued guidance that any shortfall in dedicated schools grant should not be supported using funds from the General Fund.

4.2. Table 3: 2022/23 DSG Provisional Outturn

Funding Block	21/22 B/FWD £m	22/23 IN-YR VARIANCE £m	EARLY YEARS PREVIOUS YR ADJ. £m	SAFETY VALVE FIRST PAYMENT £m	22/23 PROVISIONAL OUT-TURN £m
Schools Block	(0.754)	(0.160)			(0.914)
High Needs Block	13.511	3.880		(7.800)	9.591
Early Years Block	0.094	(0.262)	(0.169)		(0.337)
22/23 Cumulative Provisional Outturn	12.851	3.458	(0.169)	(7.800)	8.340

4.3. The Schools block (de-delegated) underspend of £0.914m mainly relates to the headroom, growth funding and falling roles funding. As the DSG is a ringfenced account, any balance is carried forward into the next financial year.

5. High Needs Block

5.1. The overall pressure in the High Needs block is in line with the national and regional picture and results from additional places required in special schools, out of borough placements and in relation to top up payments as outlined in Table 4 below.

5.2. Table 4: Breakdown of High Needs Pressures at March 2023

HIGH NEEDS	BUDGET £m	OUT-TURN £m	VARIANCE £m
Special Schools and PRU	17.788	19.591	1.803
ARPS/Mainstream Top-ups/Alternative Provision	4.706	5.631	0.925
NMSS/ISP	3.316	4.459	1.143
Commissioned Services	3.974	3.983	0.009
	29.784	33.665	3.880
Balance B/fwd from 21/22			13.511
Safety Valve First Payment			(7.800)
22/23 Cumulative Provisional Outturn			9.591

- 5.3. The Authority's DSG Management Plan will address the deficit and the Department for Education (DfE) have agreed to pay the Authority £19.500m over a 5-year period, with the first payment of £7.800m received at the end of the financial year 2022/23. In subsequent financial years, subject to compliance with the conditions set in the Safety Valve agreement, the DfE will pay DSG the amounts shown in Table 5.

5.4. **Table 5: Scheduled Safety Valve Payments**

Year	Additional DfE payments
2022-23	£7.800m
2023-24	£1.950m
2024-25	£1.950m
2025-26	£1.950m
2026-27	£1.950m
2027-28	£3.900m

- 5.5. The Department for Education (DfE) guidelines state that Schools Forum can approve a transfer of up to 0.5% of the School Block to support other blocks. Transfers have been made to the High Needs Block from the Schools Block in previous years. The Authority did discuss a transfer for 2022/23 with Schools Forum which was not supported pending the completion of the Dedicated Schools Grant Management Plan.

6. Safety Valve Intervention Programme

- 6.1. Forum will recall that the Authority joined the Department for Education's (DfE) Safety Value Intervention Programme on 1 April 2023. Subject to meeting specific performance measures, this will provide the Authority with £19.500m of revenue funding to support the current deficit position over a five-year period with the aim of bringing the Authority's High Needs block back into balance. The DfE requires that the Authority submits three reports each financial year, providing an overview of the work programme and ensuring targets are on track. The first submission was made on 16 June and the Authority is current waiting for feedback from the DfE.
- 6.2. The Authority is on track to reach a positive in-year balance on its DSG High Needs block by the year-end 2027/28. In 2022/23 the Authority's High Needs block forecast was a year-end pressure of £17.900m. The outturn position

for 2022/23 was better than forecast, at £17.392m. When including the DfE's first instalment, £7.800m of the £19.500m awarded to the Authority, the outturn position for 2022/23 was £9.592m.

- 6.3. At the 2022/23 year-end, the Authority was in active discussion with its maintained special schools regarding pupil numbers and funding. The Authority forecasts that it will remain on target to achieve the 2023/24 year-end position detailed within the Authority's DSG Management Plan, assuming some growth in spend in the maintained special schools not reflected at the year-end 2022/23.
- 6.4. The DfE announced that in June 2023 that the Authority will receive £4.681m in capital funding to support the implementation of the DSG Management Plan. The Authority was unsuccessful in its bid for £1m to develop a SEND Centre of Excellence.
- 6.5. The Authority is confident that governance arrangements in place provide the necessary political rigour and oversight of its Lead Member, and support and scrutiny by its Chief Executive and Senior Leadership Team. The wider SEND partnership remains locked into the deliverables set out in the DSG Management Plan, now incorporated into the partnership's SEND improvement plan.
- 6.6. The Authority's Safety Valve communication and engagement plan, and its wider strategic SEND Engagement Strategy, are providing a clear basis upon which leaders across the Authority share information, consult and co-produce with children and young people, parents and carers, and the wider workforce.

7. Early Years Block

- 7.1. The Early Years block has ended the year with a cumulative surplus of (£0.338m). This included a brought forward deficit of £0.094m which was then adjusted in-year by £0.169m. An adjustment to funding takes place in July when the DfE reviews initial funding estimates in relation to the numbers of pupils actually taking places compared to the initial funding estimates based on the January pupil census prior to the financial year.

8. National Funding Formula (NFF) Consultation for 2024/25

- 8.1. As in previous years, the Authority will need to determine the local formula to distribute funding to mainstream schools and academies for the financial year 2024/25. The formula will apply directly to maintained schools for the financial year, and for academies it will form the basis for their funding, distributed by the Education, Skills and Funding Agency, for the year starting 1 September 2024. The local formula must comply with statutory guidance, but within these confines the final decision on the formula rests with the Authority after consultation with schools and Schools Forum.
- 8.2. In 2021/22, in consultation with Schools Forum and the Authority's maintained schools, the Authority made the decision to leave the Local Funding Formula (LFF) 100% in line with the NFF.
- 8.3. No modelling has been under-taken at this stage, but the Authority are expecting an indicative funding allocation towards the end of July. Once this allocation has been received the Authority will consider modelling potential options for capping and maximising Minimum Funding Guarantees.
- 8.4. Recommended modelling scenarios will be presented to Schools Forum in September, in advance of the formal consultation with schools during October/November 2023.

9. Recommendations

- 9.1. Having read this report and clearly understanding the information provided, Schools Forum is asked to:
 1. acknowledge the provisional 2022/23 outturn position on all DSG balances;
 2. acknowledge the school budget plans overall summary position;
 3. acknowledge the pressure on the High Needs block and the Authority's inclusion in the ESFA's Safety Valve Intervention Programme; and
 4. agree the plan for funding consultation for 2024/25.

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**North Tyneside
Council**

Item 8

Briefing Notes

To: Schools Forum

Date: 12 July 2023

Author: Claire Emmerson

**Purpose of
the Paper:**

Information

✓

Consultation

Decision

✓

Title of Briefing: Falling Rolls and Growth Fund Proposed Allocations

1. Background

1.1 The purpose of this report is to seek Schools Forums approval to make allocations of funding to eligible schools for the following:-

- Falling Rolls
- Growth Funding

1.2 The Authority have met with representatives from the Schools Forum finance subgroup. The Subgroup considered the applications for funding on 13 June 2023. Whilst the subgroup has proposed the allocation of funding the final decision rests with Schools Forum.

2. Falling Rolls and Schools in Financial Difficulty 2023/24

2.1 Falling Rolls

Following an initial assessment there were five schools identified as being eligible for falling roll funding with a total value of £0.168m. The details of these schools and the funding identified for each school is included in Table 1. The total falling roll funding available for distribution is £0.300m (£0.050m carried forward and £0.250m in year allocation). As in previous years a proportion of the surplus funding will be transferred back to academies, the current estimate is that this will be around £0.030m. If approved, this will leave a balance of £0.132m of which £0.082m will be transferred to the headroom fund, leaving a closing balance of £0.050m.

2.2 Table 1: Breakdown of Falling Rolls Eligibility

School	Value £m
Monkseaton Middle	0.042
St Joseph's RC Primary	0.037
Battle Hill Primary	0.044
Collingwood Primary	0.032
Forest Hall Primary	0.013
Total	0.168

2.3 Schools in Financial Difficulty (Headroom Funding)

The opening balance for de-delegated funds for Schools in Financial Difficulty (Headroom funding) in 2023/24 was £0.563m. Assuming Schools Forum approve the Falling Rolls applications as mentioned above, £0.082m will be transferred from Falling Rolls to Schools in Financial Difficulty (Headroom), giving a balance of £0.645m. This balance will be available to fund Headroom applications still to be submitted by schools for consideration by Schools Forum Sub-Group.

3. Growth Policy 2023/24

- 3.1 The DfE established a separate fund in the School Block of the DSG for growth in 2019/20. In North Tyneside this fund was not used for growth and was instead added into the remaining balances to be redistributed to all schools. When setting the 2023/24 School Block allocation, Schools Forum agreed to set aside £0.250m of the identified growth funding, with a further £0.145m carried forward from 2022/23. Total Growth Funding available in 2023/24 is therefore £0.395m.
- 3.2 Officers from the Authority have reviewed all schools' projected pupil numbers for Sept 2023 using the latest information available from the Admissions Team. Eight schools, with a total funding of £0.764m were initially identified as being eligible for growth funding. However, the eligibility criteria also specifies that schools must provide evidence that additional costs have been incurred to support structural class changes

in relation to the additional pupils. The initial list of schools and the funding associated with each school was considered by the Schools Forum Finance Subgroup on 13 June 2023.

- 3.3 At the time of writing this report four schools had responded for the call for evidence. From the evidence received three schools are eligible for growth funding and have provided sufficient evidence to the Authority showing structural changes that have had to be made to accommodate the additional children within those schools. Table 2 below shows the details of those schools that are eligible and the total funding for those schools is £0.432m. If all funding is approved the 2023/24 closing balance will be £0.037m deficit which will be carried forward into 2024/25.

3.4 **Table 2: Growth Funding Eligibility 2023/24**

Growth Funding	£m	Eligibility
Backworth Park Primary	0.060	Final year Growing School Criteria
Redesdale Primary	0.032	Confirmed eligibility
Burnside	0.182	Confirmed eligibility
Longbenton	0.158	Confirmed eligibility
Total	0.432	
Total Funding Available	0.395	
Deficit Growth Fund 2024/25	0.037	

- 3.5 The Authority has reviewed the evidence received from Monkseaton High and Norham High School and whilst this did show that additional costs had been incurred there was insufficient evidence to show that the schools have to make structural class changes to accommodate the additional children. The Authority has contacted both schools to understand the overall position and if the eligibility does change then this will be highlighted to Schools Forum at the next meeting in September 2023.
- 3.6 In addition, two schools have yet to provide evidence of eligibility therefore the funding to George Stephenson and North Gosforth has been removed. Details are included in Table 3 below.

3.7 **Table 3 Schools not eligible for Growth Funding 2023/24**

Growth Funding	£m	Eligibility
Monkseaton High	0.112	Not Eligible
Norham High	0.079	Not Eligible
George Stephenson	0.050	Evidence has yet to be received
North Gosforth	0.091	Evidence has yet to be received
Total	0.332	

4. **Recommendations**

4.1 Having read this report and clearly understanding the information provided, Schools Forum is asked to:

1. Consider the funding allocations as set out in this report; and
2. Agree the current position and plans for additional funding sources maintained by Schools Forum.

4.2 Members are reminded of who is eligible to vote and the voting table is noted at Appendix A for Reference.

Appendix A – Voting Table

North Tyneside Schools Forum Member Roles & Voting							<i>last updated September 2019</i>	
de-delegation Primary	de-delegation Secondary	scheme for financing schools	consultation on funding formula	General Duties	Retained Duties	all other matters		
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

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**North Tyneside
Council**

Item 11

Briefing Notes

To: Schools Forum

Date: 12 July 2023

Author:

Mary Nergaard

**Purpose of
the Paper:**

Information

✓

Consultation

Decision

Title of Briefing: Schedule of Meetings 2023/24

Date	Time	Location
2023		
Thursday 21 September 2023	12.30pm	Microsoft Teams
Wednesday 8 November 2023	12.30pm	Microsoft Teams
2024		
Wednesday 17 January 2024	12.30pm	Microsoft Teams
Wednesday 20 March 2024	12.30pm	Microsoft Teams
Wednesday 10 July 2024	12.30pm	Microsoft Teams