

**THE SOUTHWARK SCHOOLS FORUM  
MINUTES OF THE MEETING  
Thursday 12<sup>th</sup> October 2017**

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1. **Welcome and Introductions** by the Clerk
2. **Attendance and Apologies**  
See Annex A
3. **The meeting was quorate**
4. **Elections**
  - 4.1 Chair: The clerk asked for nominations for the Chair of the Schools Forum 2017/18, Sister Anne- Marie Niblock was nominated, there being no other nominations, was duly elected.
  - 4.2 Vice Chair: The clerk asked for nominations for the Vice Chair of the Schools Forum 2017/18, Mickey Kelly was nominated, there being no other nominations, was duly elected.  
  
Sister Anne-Marie Niblock took the chair for the remainder of the meeting
5. **Declaration of Interests**  
Members were asked to declare any pecuniary or other interests they might have that were greater than the interests of other members of the Forum in any matter on the agenda for discussion. There were none.
6. **Minutes of the Meeting of 6<sup>th</sup> July 2017**  
  
Item 7.4 the word SILS was replaced by Summerhouse, these were then agreed as an accurate record.
7. **Matters Arising from Minutes**
  - 7.1 Finance Handbook: The LA reported that this was now completed and is to be loaded on Southwark's new website which was experiencing teething issues. It is now planned that this will be published after half term 2017.
  - 7.2 Director's Meeting with Maintained Nursery Schools: Sue Emmons attended this meeting in the absence of the Director and it covered a wide range of topics and concerns by the schools including: EHCPs; Inclusion Fund, 2 year olds and the government consultation document.
  - 7.3 Council run day nurseries contacting maintained nursery schools; this did not happen
  - 7.4 Headteachers Rep on Schools Place Planning: under review

7.5 External Audit of the 2016-17 DSG Outturn: this has happened with no changes to the reported figures.

7.6 Early Years Inclusion Fund: Yvonne Ely confirmed that this was being kept under review. The status of the Headteacher rep on the Panel was sought; this was confirmed that for legal reasons they are considered as an “observer”.

## **8. Schools’ Financial Support Panel**

8.1 A report written by Julie Chow, Head of Schools Human Resources and Maddy Webb, Headteacher Chair of the Panel was circulated to members prior to the meeting.

8.2 The report gave the background to the Schools’ Financial Support Panel (referred to as “the Panel”) and how it currently operates in distributing funds to schools that met the criteria of requiring financial support primarily related to staffing issues. This included, re-organisations and restructures which often involved redundancy payments that the employer (sometimes the LA and sometimes the governing bodies) were required to meet. The allocations made took account of the school’s own resources such as balances and in the main were only a contribution to the full cost.

8.3 The source of the funds that are distributed comes from the de-delegation part of the Schools Block of the Dedicated Schools Grant (DSG). This, however, sources its funds from LA maintained primary and secondary schools, but funds had also been distributed to special and nursery schools as well as the pupil referral unit, approximately 9.7% of the budget in total. These are funded from different blocks of the DSG and so had not contributed to the overall pot of money.

8.4 As a result of the introduction of the National Funding Formula (NFF) in April 2018, there are strict controls on funds being moved out of the Schools Block to fund what are in fact the responsibilities of the other blocks. Consequently there would need to be criteria in the other blocks so as to provide funds from those blocks that could be used for their relevant schools.

8.5 The de-delegated funds for this Panel amount to £39.48 per pupil with an outturn report presented to the Schools Forum each year and acts as a form of “insurance” scheme for the schools. The Chair commented that with the financial pressures on the Schools Block and schools, should the de-delegation continue? –this will be addressed by a future meeting when the Schools Forum will be asked to vote on the LA’s proposals for 2018-19.

8.6 Rebecca Sherwood said that, if the Early Years Block was going to contribute for maintained nursery schools, then account needs to be taken of the part time nature of pupils in early years so an amount per pupil would be unfair. Also the Schools Forum raised the issue of sixth formers in secondary schools which are funded from the EFSA. Funding would therefore be based on pupils from Reception to Year 11 in the Schools Block.

8.7 The Schools Forum supported the membership of the Panel, its Terms of Reference and that the LA would determine who was chair. It then voted on the suggestion that the LA needs to revisit the current process for determining how contributions

are to be made to that budget in order that it can accommodate nursery and special schools which are equable and can be operated as “one pot”:

In Favour	4
Against	0
Abstentions	1

## 9. Budget Monitor – 2017-18 Dedicated Schools Grant

- 9.1 A report had been circulated prior to the meeting that gave the financial position as at July 2017 for the 2017-18 Dedicated Schools grant (DSG) and identified the financial pressures in the High Needs Block that will, as in previous years, require a transfer of funds from the Schools Block.
- 9.2 Russell Dyer said that with regard to the funding being received, there had been a reduction of £590k in the Early Years Block of the DSG due to lower levels of participation and so budgets were being adjusted accordingly and that a further adjustment is likely in the Early Years Single Funding Formula (EYSFF) rates for 2018-19.
- 9.3 With regard to expenditure, the High Needs Block was projecting a £3.5m overspend. An appendix to the report highlighted, in graph form, the impact of increase of independent school places for pupils with SEND. Yvonne Ely and Mickey Kelly explained that the fall in those places for EBD is probably due to the primary need been classified as being ASC/ASD, which has increased, rather than a straight fall in that category of SEND.
- 9.4 Overall, the DSG Reserve will be a nil balance, and that in-year reductions will be needed to minimise any deficit being carried into the next financial year which will be a first call on the 2018-19 DSG.
- 9.5 The report then went on to address the issues identified at the July 2017 meeting of the Schools Forum. The issues around the schools in financial difficulty scheme had been covered by an earlier report on this agenda. Also issues regarding Summerhouse will be addressed later on the agenda.
- 9.7 Licences: this is a government run scheme and forms part of the de-delegation for maintained schools – the £24k budget was seriously understated by £100k for LA maintained schools, academies have their contribution paid for from a top slice to the DSG. This will mean an increase in the de-delegation for 2018-19.
- 9.8 Maternity Insurance Scheme: applicable to LA maintained schools and is seriously overspending. The LA will need to look at ways to reduce spend from the fund and also recoup the 2017-18 overspend by increasing the amount de-delegated. It may, however, be an option to cease the scheme and be similar to academies that decide whether to take up commercial insurance. This is something the LA wishes to explore with a working group of Headteachers.
- 9.9 As stated earlier, the spend in the High Needs Block is increasing as demand increases and also the charges being made by independent providers also are increasing. It was noted that academies are being treated as “independent” providers in the statistics and graphs presented with the report and their funding is in fact the same as LA maintained schools and so is distorting the interpretations of

the data. The Schools Forum asked that academies be shown separately so that a true assessment can be made.

- 9.10 Overall, nationally, there is a short fall of funding to the High Needs Block, those pupils on the autistic spectrum have doubled and account has to be taken of increased transport costs as well. The graph showing a recent dramatic increase in those pupils classified with “Learning Difficulties” are likely to include autism.
- 9.11 Rebecca Sherwood said that although most schools across the borough were inclusive, account needs to be taken of the unspent balances some schools have. The Schools Forum agreed that the Clinical Commissioning Groups (CCGs) should be asked to fund certain therapy costs rather than the DSG.
- 9.12 The Chair felt that some EHCPs were unrealistic in what they specifying and so increasing the cost to schools. Yvonne Ely explained that EHCPs were statutory and what is specified in them is as a result of the actual assessment of need and therefore need to be specific. In addition, appeals have doubled.
- 9.13 In response to a question by Mickey Kelly regarding the LA’s SEND Strategy, the Director explained that additional in-borough provision was coming on stream at a new Free School and Cherry Gardens. There is also impact on the Early Years providers.
- 9.14 The various options set out will be considered by a working group that the LA wants to set up in order to explore how to address the projected overspend were noted. As was that a report back to Schools Forum will be made in December 2017.

## **10. Dedicated Schools Grant – 2018-19**

- 10.1 This previously circulated report gave a summary of the impact of the introduction of the government’s National Funding Formula from April 2018. It considered the likely required changes to Southwark’s funding formula with a timetable of the key decisions needed for setting the 2018-19 budgets including the transfer of funds to the High Needs Block.
- 10.2 Russell Dyer said that the key fact to note was that there are still a few discretions that the LA had for 2018-19 and 2019-20 when the NFF is, in what the government terms as, being in “soft” mode. These discretions are designed to permit the LA to minimise turbulence. There is also a requirement on the LA to consult directly with schools on formula changes, use of discretions and transfers over 0.5% out of the Schools Block.
- 10.3 The following potential changes to the formula were reviewed and the LA’s proposals noted:
- a) Continue using Eve6 FSM and IDACI factors as a measure of social deprivation in the formula
  - b) The LA already complies with the minimum AWPU funding levels
  - c) There will be some mandatory changes to the weighting levels for prior attainment
  - d) The LA will continue to use the EAL3 indicator with separate rates for each phase

e) Retain the Lump Sum at £150k per school although a reduction may be used to fund the transfer of funds to the High Needs Block – although this may be subject to adjustment in order to meet the budget shortfall in the High Needs Block

f) Split Site Funding (appendices D and E) – to tighten criteria for eligibility to this factor – this will be consulted upon and the outcome reported back to the December meeting of the Schools Forum.

- 10.4 Appendix A to the report gave the current values in the funding formula for schools and Appendix B the modelling of the possible impact on certain formula factors (Lump Sum, AWPUs and Social Deprivation) of a balance transfer to the High Needs Block in 0.25% increments. A 0.5% rate equates to about £1m.
- 10.4 The Schools Forum then voted on whether they approved a balance transfer of 0.5% from the Schools Block to the High Needs Block in 2018-19:
- |            |   |
|------------|---|
| In Favour  | 9 |
| Against    | 0 |
| Abstention | 1 |
- 10.5 The Schools Forum then continued to review the options of the formula factors that could be changed to achieve the 0.5% transfer and any further amounts that may be needed. It was noted that any amount proposed above the 0.5% would require the LA consulting direct with schools and academies.
- 10.6 The NFF has a lump sum value of £110k where as the Southwark Formula has a value of £150k. Following a question from Steve Morrison, the LA confirmed that there could be a different value in 2018-19 for primary schools/academies compared to secondary schools/academies.
- 10.7 The Schools Forum initial view on the options put forward by the LA on the impact of change was that the values of the factors for social deprivation should not be reduced.
- 10.8 A number of members felt that there was insufficient information on the impact on schools and academies of each formula option to come to a view as to what is preferable. The LA agreed that a decision need not be made at this meeting and that further more detailed modelling is required to determine the impact on individual schools in order that turbulence caused as a result of reduced formula funding in 2018-19 be minimised.
- 10.9 The Schools Central Block was then reviewed and it was noted that the overall figure of £2.282m is in fact made up of the previous Education Services Grant retained duties and the move of the previously retained funds for: growth fund; falling rolls fund; places in independent schools for non-SEN pupils, admissions and servicing the Schools Forum from the Schools Block to the new Schools Central Block. It was suggested that, for presentational purposes, the table be reworked so as be clearer.
- 10.10 The regulations for de-delegated services were given and they did not impact on the current practice in Southwark although the amounts for each are subject to review, especially maternity insurance and licences which had been discussed earlier in the meeting.

- 10.11 The Local Authority drew the Schools Forum attention to the review that it is currently undertaking of the Schools Improvement Services and that they will be writing to schools during the following week about the proposals and options.
- 10.11 The Schools Forum said that the level of information provided for the 2017-18 decisions on centrally retained and de-delegated services was comprehensive. This is in line with the regulations as set out in Para 8.2 of the report for 2018-19.

### **11. Summerhouse**

- 11.1 Terry Segarty reported that the costs of this service were increasing as demand for its use increases and the complexity of the needs of the children widens. It will be over budget and will need a top up.
- 11.2 This local authority run service is looking to perhaps run a part traded service and perhaps from April 2019 operate a Service Level Agreement with primary schools. The Schools Forum will be updated as when the way forward becomes more apparent.

### **12. School Balances 2016-17**

- 12.1 A follow up report on the school balances giving more detail of the required Surplus Expenditure Plans had been circulated and showed a decrease in the number of schools with excess balances since the previous year.
- 12.2 The Schools Forum asked about the evidence the LA requests to support these plans to ensure that they are genuine and whether spend is monitored during the year. The plans submitted by the schools are examined and the in-year monitoring system is under review.
- 12.3 It was confirmed that schools that make bids to the Schools in Financial Difficulty Panel have their balances taking into account in the decision of a) whether to support and b) and if so, to what financial level.

### **13. Date of Future Meetings**

It was agreed that the meeting originally scheduled for 5<sup>th</sup> July 2018 would be put back a week to 12<sup>th</sup> July 2018 – the Director gave her apologies that she would not be able to attend the revised date.

Dates are now:

7 December 2017, 18 January 2018, 22 March 2018, 17 May 2018, 12 July 2018

**Annex A****SCHOOLS FORUM ATTENDANCE SHEET****12<sup>th</sup> October 2017****VOTING MEMBERS**

<b>NAME</b>	<b>CONSTITUENCY</b>	<b>PRESENT</b>
Anita Gallagher	Primary School Headteacher	Yes
Manda George	Primary School Headteacher	Yes
Pia Longman	Primary School Headteacher	Yes
Gregory Doey	Primary School Headteacher	Yes
Vacant	Primary School Governor	
Vacant	Primary School Governor	
Rebecca Sherwood	Nursery School Headteacher	Yes
Simon Eccles	Special School Headteacher	Apologies
Nicola Howard	Early Years – Private/Voluntary and Independent Settings	Yes
Steve Morrison	Academy	Yes
Mickey Kelly	Academy shared	Yes
Simon Wattram		Yes
Vacant	Academy	
Maria Rodrigues	Special School Academy	Apologies
Yomi Adewoye	Pupil Referral Units	Apologies
Sister Anne-Marie Niblock	Secondary School Headteacher	Yes
Kieran McIntosh	FE SEN	No
Catherine May	Diocese Board	Apologies
Betty Joseph	Trade Unions	Yes

## Senior Officers in Attendance

Nina Dohel	Yes
Yvonne Ely	Yes
Terry Segarty	Yes
Russell Dyer	Yes
Sue Emmons	Yes
David Cross	Clerk