

**Minutes of a meeting of the Leicestershire Schools Forum
via Teams on Monday 15 November 2021 at 1.00 pm**

Present

Chris Parkinson	Secondary Academy Headteacher
Liam Powell	Secondary Academy Headteacher
Kath Kelly	Secondary Academy Headteacher
Jane Lennie	Secondary Maintained Governor
Jane McKay	Primary Academy Headteacher
Ed Petrie	Primary Academy Headteacher
Karen Allen	Primary Maintained Headteacher
Alison Ruff	Primary Maintained Headteacher
Zoe Wortley	Primary Maintained Governor
Kelly Dryden	Special Academy Representative
Jason Brooks	Special Maintained Representative
Clive Wright	RC Representative
Graham Bett	DNCC Representative

In attendance

Jane Moore, Director of Children and Family Services
Deborah Taylor, Lead Member, Children and Family Services
Alison Bradley, Head of Service, Education Quality and Inclusion
David Atterbury, Head of Service, Education Sufficiency
Jenny Lawrence, Finance Business Partner, Corporate Resources
Mike Lilley, School Financial Planner

		Action
1.	<p>Apologies and Substitutions</p> <p>Apologies were received from Suzanne Uprichard, Jane Dawda, Julie McBrearty and Martin Towers.</p>	
2.	<p>Minutes and Matters Arising</p> <p>The minutes of the meeting held on Thursday 27 September 2021 were agreed subject to the following amendment to the paragraph 3 of agenda item 'Fair School Funding'.</p> <p>Karen Allen commented that when a high needs transfer was previously discussed it was the MFG that hindered making it fair and whilst it does protect schools there are situations <u>where it affects that</u> mechanism in different ways. Jenny agreed and said that the minimum per pupil funding level that affects the transfer will be discussed later on the agenda.</p>	

3.	<p>2022/23 Schools Block Transfer and De-Delegation of Funding for Union Facilities Time</p> <p>Jane Moore presented the outcome of the school funding consultation which sets out the background to the need for a Schools to High Needs Block funding transfer for 2023/24 and seeks Schools Forum approval for a transfer.</p> <p>The report also presents the consultation response on the principle of de-delegation of funding for maintained schools the purposes of establishing a scheme to fund Union Facilities Time.</p> <p>Jane stated that a number of reports had been presented to Schools Forum setting out the financial position of the High Needs Block and the reasons for seeking approval for a transfer were outlined in the presentation made to the meeting on 27 September 2021. Jane added that the consultation period ran from 20 September to 18 October 2021 for the transfer and de-delegation of funding for union facilities time. A range of comprehensive documents were issued with the consultation which set out the background to the high needs position and a workbook illustrating the impact of the transfer on individual schools and background information to the de-delegation for union facilities time.</p> <p>Jane stated that 13 consultation responses were received, one of which did not answer any questions and 5 were submitted from the same school. It was noted the consultation responses are attached as Appendix 1 to the report. Jane stated that the low response rate did not give a statistically representative view of Leicestershire schools on either issue - the Schools Block Transfer and de-delegation for union facilities time.</p> <p>Jane gave more detail on the responses received in terms of numbers as outlined in the report and stated that in terms of next steps the response rate does not allow a representative view for all Leicestershire schools on the proposed transfer identity nor did it give any tangible options to manage the ever increasing and challenging high needs position from schools which was also asked within the consultation. Jane said therefore the consultation outcomes does not outweigh the strength of the need to the transfer.</p> <p>Jane referred to the models proposed in paragraph 21 and said Model 2 was the preferred option for the local authority to achieve the transfer and gives a lesser impact on an individual school level as well. This model would require Secretary of State approval within the DfE deadline of 21 November 2021. Jane added that a further request would be made to the Secretary of State in respect of Model 1 should Schools Forum not approve the transfer. In terms of implementation this would be dependent on decisions made by the Secretary of State following a review of the supporting documentation submitted and given the complexity of the approval requests the approach to 2022/23 schools budgets would be subject to one of the scenarios outlined in paragraph</p>
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24.

Jane highlighted the recommendation which was for Schools Forum to approve Model 1 to affect the transfer of 0.5% of funding and would therefore need to consider further actions to manage the increasing demands for EHCPs and rising costs.

Jane referred to the next steps and explained that the High Needs Financial plan covers a four-year period which is currently under review for the four financial years commencing with 2022/23. Early indications suggest that the number of EHCPs receiving financial support and the costs of that support increasing is a significant challenge to financial sustainability. The local authority was currently having an external review of the High Needs Block Development Plan to ensure the response is effective and efficient and was considering all potential options and individual factors within the SEND system that are driving the increase in demand and cost.

Jane went through the responses in terms of the de-delegation of funding for Union Facilities Time and in terms of next steps the local authority introduction of a wide scheme for meeting the costs of union facilities time would need to be financially sustainable and have some certainty about that for the future and the current school funding environment does not present this situation. Jane explained that de-delegation could only be delivered for maintained schools and as academy conversion continues the pool of funding available through de-delegation reduces. De-delegation also requires a specific consultation and Schools Forum approval and can only be approved on an annual basis. The proposed changes to the National Funding Formula do reduce local authority flexibility in respect of school funding and it is uncertain whether such an action will be possible from 2023/24. Jane explained the risk to the local authority of managing such a scheme and as such that a local authority managed scheme would not be pursued.

Jenny Lawrence referred to the recommendations which would need to be fed into the process for what was submitted to the Secretary of State. Jenny invited comments/questions from Members before the recommendations were highlighted.

Jane Lennie commented that with regards to the underfunding of SEN and the costs increasing as predicted this position would be the same every year and would be a rolling under funding by 0.5% every year for the rest of the school cohorts and for which she was not comfortable with.

Jane agreed moving funds across systems is not the best position to be in but one of the challenges is that there is insufficient funding for the local authority to pay for special educational needs. Jane reiterated that the position was not comfortable and not one the local authority would want to find themselves in but notwithstanding that there are significant challenges to face through the high needs block and this proposed transfer is one of the mechanisms being sought to use in order to

mitigate that properly.

Jane Lennie stated that this was not a stand-alone issue for the County Council and unless it takes a stand at some point this would lead to a spiral of underfunding for all schools that are still maintained. Jane Moore commented that this was a national issue and are not alone in facing the significant challenges around budgets. Jane added the High Needs Development is achieving savings but not in the area of budget spend and the proposed transfer was saying that every area was being explored in order to manage this budget and the local authority are then in a stronger position to go back to the DfE regarding the levels of funding.

Mrs Taylor added to Jane's comments that there was no option but to go forward with the transfer and did not expect Schools Forum to support this. Mrs Taylor was not comfortable with this and was not the way the local authority would like to work with schools as it had always had a good relationship with schools. Mrs Taylor stated that for her to go to the DfE to say this was not sustainable the transfer needs to happen. Mrs Taylor commented that she was disappointed with the responses to the consultation for this important issue and it would have been helpful to have a range of suggestions or how things could be done differently.

Karen Allen commented that a lot of headteachers have had to cope with staff shortages and managing Covid cases which will have contributed to the low response number.

Karen referred to paragraph 24 and the two different models and asked for clarification on these. Jenny stated that Model 1 is within the gift of the local authority to deliver without a decision from the Secretary of State should Schools Forum agree to a transfer. Jenny said that Model 2 gives a better overall outcome when considering the impact for all Leicestershire schools but would require approval from the Secretary of State. However, if the Secretary of State said no and Schools Forum had agreed Model 1 then Model 1 would be delivered.

Karen asked if Schools Forum should decide to agree to the transfer and agree to Model 2 rather than Model 1 then Schools Forum cannot vote on this model as Model 1 is the only option. Jenny said that the recommendations were such that Schools Forum were being asked for a decision on the transfer with another recommendation asking for the preferred model.

Graham Bett said that the response was disappointing however with the local authority deciding to pursue a transfer it would be illogical for headteachers to respond. Graham added that if the system is broken those who are ensuring the national system continues are the ones who are responsible.

Chris Parkinson asked what the local authority perceived to be the risk for saying Schools Forum would not agree and that as a local authority

support them not agreeing. Chris added that Schools Forum are not voting for something that fixes the problem and reiterated Graham's point about a system in place which is no longer working. Chris said that the transfer only fractionally reduces the deficit so therefore does not change the problem.

Jane Moore acknowledged Chris' point and one that is discussed with Members and officers in the local authority. However, it must pursue every possible mechanism in order to get the budget back in line before coming to a radical solution to this problem. Jane said that the deficit must be held and the current deficit means the local authority are having to make savings across the local authority to mitigate this deficit.

Jenny reiterated Jane's point that the deficit gives additional problems because it is reducing the money available to the local authority to commission new schools as the basic need for new places increases and the DfE have very clearly vested this decision to the Schools Forum so there is a risk that failure to make a decision on the matter may impact the reputation of Leicestershire County Council and the Schools Forum.

Jane stated that she was not completely shutting down Chris Parkinson's comment and in addition to this process CFS will go back to Members and have the conversation around what is next in terms of the proposal and what the messages are that go back to the DfE which needs to consider the overall financial position. Chris Parkinson commented that there is effectively no change to the local authority risk because the majority of the debt remains but spreads risks to other institutions which affects their finances and their ability to deliver services they are accountable for. Jane commented that if the transfer is not made the £2m would have to be found from other areas across the authority and although it does not impact the overspend that deficit is still required to be recovered.

Graham commented that it still does not resolve the situation by transferring money from schools or other departments.

Recommendations:

That Schools Forum note the outcome of the consultation and the response rate it received.

Schools Forum noted the outcome.

That Schools Forum approve a 0.5% (£2.3m) transfer of funding from the Schools Block to the High Needs Block of the Dedicated Schools Grant for 2022/23.

12 voted against a transfer and there was one abstention.

That Schools Forum determine the favoured model with which to deliver the Schools Block Transfer to the High Needs Block of the Dedicated Schools Grant for 2022/23.

0 voted for Model 1; 2 voted for Model 2; 9 abstentions

That Schools Forum notes the intention of the local authority to seek approval from the Secretary of State for approval of a 0.5% (£2.3m) transfer of funding from the Schools Block to the High Needs Block of the Dedicated Schools Grant for 2022/23 as set out in Model 1 should this not be agreed by Schools Forum.

Schools Forum noted.

That Schools Forum note the intention of the local authority to seek approval from the Secretary of State for approval of Model 2 from the Secretary of State through a variation in the Minimum per Pupil Funding level as its preferred methodology to affect the transfer in addition to Model 1.

Schools Forum noted.

That Schools Forum note the intention of not to pursue de-delegation of funding from maintained schools to establish a scheme to fund Union Facilities Time.

Schools Forum added the following recommendation;

That Schools Forum note that the local authority would enter into negotiation with DNCC to scope a scheme for operation across Leicestershire.

Graham Bett asked if the consultation exercise could be carried out within the next 2 weeks as it was felt the consultation was too tied in with the transfer consultation and therefore the response rate was low.

Karen Allen asked how the conversations with academies and MATs was progressing as this was a difficult decision to make and if the de-delegation option was pursued there was an ever-reducing number of maintained schools who would be funding this system. Karen felt the consultation could be ran again but time constraints were an issue to see how this will work for all schools and be sustainable in the future. Graham commented that he was not leading on this so could not comment on discussions taking place but said that whatever the scheme was it must cover the institutions across the geographical area. Graham said that the reason for the two weeks was that it then does not coincide with Christmas festivities in schools and can be moved forward.

Jane Moore asked if it would be helpful to work with DNCC to look at an option for a de-delegation model.

Jenny Lawrence said that in terms of formal de-delegation there would be an issue with the timescale if another consultation went out as there would not be enough time to get a decision for 2022/23 before the school budget deadline with the DfE so would question whether asking about de-delegation was appropriate as opposed to a scheme which would not inform a decision on de-delegation. Jenny said that a de-delegation

	<p>option would mean a decision by Schools Forum by mid-January.</p> <p>Jenny said that it was important to distinguish between working with unions on a scheme which is not de-delegation and involves schools choosing to contribute; this would be more sustainable as not dependent on local authority decision making in the future and gives individual schools the option to choose to enter it or not to enter it. Jenny said that in the de-delegation scenario all maintained schools would be contributing whether they chose to or not but individual academies would be able to choose to participate.</p> <p>Maintained schools present at the meeting agreed that more information was needed about how non-maintained schools would contribute to such a scheme.</p> <p>Schools Forum noted.</p>	
4.	<p>Any Other Business</p> <p>There was no further business.</p>	
5.	<p>Date of Next Meeting</p> <p>19 January 2022, 2.00 pm - cancelled 23 February 2022, 2.00 pm</p>	

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