



# Minutes

Name of meeting	<b>SCHOOLS' FORUM</b>
Date and time	<b>Thursday, 17 November 2022</b>
Venue	<b>Webinar – Virtual Meeting</b>
Present	Beverley Gilbert – Brading CE Primary (Chair) Vicky Reader – Oakfield CE Primary Steve Fairclough – Brighstone CE Primary Simon Richards – Haylands Primary Kevin McDermott – Christ the King College Rachel Richards – Cowes Enterprise College (Academy) Samantha Rooney – Isle of Wight College Mike Hayward – Isle of Wight Education Federation Julie Stewart – Medina House School Jackie Boxx – Island Learning Centre (Vice-Chair) Sue Bowen – CE Diocese
Officers	Brian Pope – Assistant Director, Education and Inclusion Barry Downer - Senior Finance Business Partner Cllr Debbie Andre – Lead Councillor for Children’s Services and Education Diane Hiscock – Clerk
Apologies	Sarah Hussey – Northwood Primary Academy

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1. WELCOME AND INTRODUCTION

New members were welcomed to the meeting and introductions were made.

2. DECLARATIONS OF INTEREST

SR and RR are partners. RI is a Trustee at Lanesend Primary Academy.

3. ELECTION OF CHAIR AND VICE-CHAIR

3.1 BG agreed to be re-nominated as chair for another year. There were no further nominations and BG was duly elected.

3.2 JB agreed to be nominated as Vice-Chair. There were no further nominations and JB was duly elected as Vice-Chair.

4. TERMS OF REFERENCE

No change to the current Terms of Reference. Confirmed that the IW Schools Forum constitution is compliant with DfE Good Practice Guidance and reflects educational provision across the LA. This may require future review if more schools were to convert to academies.

It was proposed that a Register of Interests is produced, to enable members to declare ongoing interests.

**Action – Clerk to produce Register of Interests for next meeting**

5. MEMBERSHIP UPDATE

The following new members had been elected through their respective groups -

VR – Primary Headteacher Representative

SR – Primary Governor Representative

RR – Academy Representative

The following re-appointments had also been made -

JH – Early Years Representative

SB – CE Diocese Representative

There are currently vacancies for 1 x Primary HT Representative and 1 x RC Diocese Representative. KMcD noted that he will be leaving at the end of term, and this would be his last meeting.

Thanks were recorded to CS, GK and KMcD for their service as Academy, Primary Governor and Secondary HT Representatives.

**Action – Clerk to make a further request for Primary and Secondary HT Rep nominations through HT Forum**

6. PUBLIC QUESTION TIME

Officers were asked how the LA will aim to ensure schools are funded properly for the School Support Staff Pay Award.

Senior Officers continue to raise school funding issues and associated challenges through the Association of Directors of Children’s Services, meetings with DfE and with MPs. The Chair wrote to the Secretary of State on behalf of Schools Forum, to express concerns regarding energy prices and funding for IOW schools in May 22.

7. MINUTES

RESOLVED

That the minutes of the meeting held on [14 July 2022](#) be confirmed.

8. MATTERS ARISING

None noted.

9. 2022/23 BUDGET MONITORING [Paper D](#)

9.1 IR gave an overview of the budget position at 30 September 2022, with an in-year forecast overspend of £2,076,000. The table at para 1 showed a breakdown of variances between budget and expenditure across funding blocks.

9.2 The forecast overspend will add to the brought forward deficit of £6,345,000 to incur an overall expected deficit of £8,421,000.

EARLY YEARS BLOCK

9.3 The Early Years (EY) Central Team is expecting a £7,000 underspend, but the outcome of the January 2023 Census may impact on the final figure.

SCHOOLS BLOCK

9.4 An underspend of £3,000 is anticipated, due to additional subscriptions to Fischer Family Trust (FFT) by academies and secondary schools. Further pressure on the Growth Fund may come in the longer term, through rising secondary places.

## HIGH NEEDS BLOCK

9.5 The greatest area of pressure is in the High Needs Block, where a £2,098,000 overspend is expected. A budget gap of £1,123,000 for 2022/23 was identified and shared with SF members at the meeting on [20<sup>th</sup> January 2022](#). Further variances were outlined in para 9 of the report –

- £282,000 expected overspend due to rising number of pupils with Education Health and Care Plans (EHCPs) and increase of 7% in top up values, per child.
- £306,000 expected overspend in discretionary top up funding to support pupils in mainstream schools, academies and the pupil referral unit (PRU), although this reduces the need for more costly placements in independent provision.
- £449,000 overspend anticipated in direct payments for children educated other than at school (EOTAS).
- £234,000 underspend forecast for Independent and Non-Maintained Schools (INMSS), as placements have remained stable, with a reduction in off-island places.
- £134,000 overspend expected, due to increased complexity and high bands being allocated to support children's needs.
- Anticipated overspend of £46,000 in EY SEN, as demand increased by 20% and is expected to continue on an upward trend. The opening of a new EY SEN unit enabled provision for 8 additional places.
- £51,000 overspend anticipated in Post-16 top up funding, due to an increase in students at HTP and higher demand at IW College and Island VI form.
- £63,000 underspend expected, mostly through savings on building costs, achieved as the SEN team moved from Thompson House to County Hall.

## CENTRAL SCHOOL SERVICES BLOCK

9.6 The cost of non-SEN placements in independent schools is expected to be underspent by £12,0000.

## OTHER GRANTS

9.7 These are specific grants and passed straight on to schools.

## QUESTIONS AND COMMENTS

9.8 [New members asked about the carried forward deficit and the implications for future funding.](#)

This is an ongoing national issue which is covered in detail in [Paper F](#) and initiatives for a resolution are being developed through the DfE Safety Valve Programme. LAs with DSG deficit are required to produce a management plan for further discussion with DfE.

9.9 [Where has the deficit come from?](#)

The deficit is the result of insufficient funding to meet the needs of SEN children over a number of years. The LA is required to make provision for the requirements of EHCPs and the spend is greater than funding received. Re-assurance was given that the IOW is not alone and many LAs are in a similar or higher deficit situation.

Government has recognised the national problem and published the [Green Paper](#) for consultation (closed in July 2022).

Strategies for the IW management plan were given at the last meeting on [14 July 2022](#) (Item 10).

#### RESOLVED:

That the September 2022/23 forecast position be noted.

#### 10. 2023/24 SCHOOL FUNDING [Paper E](#)

- 10.1 BD explained that the report covers the next 6 months' work in relation to 2023/24 School Funding.
- 10.2 This is the 6<sup>th</sup> year of working towards the DfE National Funding Formula (NFF). It is also the 2nd year on from the 2021 spending review, where DfE committed to a £7b funding increase for schools across 2022/23 – 2024/25.
- 10.3 Operational guidance was received in summer 2022, with no change to funding factors other than a few small features -
- The schools supplementary grant will be rolled into the DSG through the relevant factors.
  - In addition, NFF values have increased by around 2.4% with some being higher - i.e. Free School Meals (FSM) and Income Deprivation Affecting Children Index (IDACI) – 4.6%.

LAs will still be allowed to transfer up to 0.5% from the Schools Block to the High Needs Block with Schools Forum approval. The Minimum Funding Guarantee (MFG) can be set between +0.0% and +0.5%.

#### DIRECT NATIONAL FUNDING FORMULA

- 10.4 LAs are encouraged to move closer to the NFF, which will be a national formula for funding, issued directly to schools and expected to be implemented by 2027/28. New requirements for 2023/24 are –
- Only NFF factors can be used.
  - All factors must be used, except for some optional local premises factors.
  - Values must be at least 10% closer to NFF values.
  - Must use NFF definition of English as an Additional Language (EAL) factor.
- 10.5 There should be limited impact for IW schools. Across 150 LAs, 112 are moving closer to NFF and 74 (including IW) mirror NFF values. So, the IW is well placed in relation to the transition.

#### INDICATIVE DSG ALLOCATIONS

- 10.6 Indicative allocations were received during the summer and allow for modelling to prepare for 2023/24. At present a £2.2m increase in the Schools Block and £888,000 increase in the High Needs Block are suggested. Final figures will be modified according to the outcome of the October Census,
- 10.7 EY Funding will be confirmed with receipt of DfE Operational Guidance and based on the December 2022 settlement.

#### LOCAL FUNDING FORMULA PROPOSALS

- 10.8 The IW approach to working to NFF has continued to be supported by schools and Schools Forum and will be used for 2023/24. Local area cost adjustment will make a slight difference (1.01421), but provides stability for schools.

- 10.9 As noted in para 10.3, most factors will increase by 2.5%. Financial modelling was carried out in October 2022, based on last year's numbers and used to consult with schools. Consultation responses are shown at appendix C in [Paper E](#).

#### EXCEPTIONAL PREMISES FACTORS/DISAPPLICATION REQUESTS

- 10.10 LAs are required to re-apply to have NFF disappplied in exceptional circumstances. Historic premises factors in relation to 2 schools are outlined at para 23 in [Paper E](#) are relevant in this case. Factors must be in excess of 1% and less than 5% of the school's budget. Requests have been submitted to DfE.

#### MINIMUM FUNDING GUARANTEE (MFG)

- 10.11 In the recent consultation the majority of IW schools (97%) supported a proposal to set the MFG at +0.5%. Only one school received a minor amount of funding for 2022/23, as most historic funding arrangements that applied, were worked out of the system.

The October 2022 census may result in minimal cost for 2023/24, which may be met using any remaining DSG after final school allocations.

#### GROWTH FUND/FALLING ROLLS

- 10.12 The IW has 18 segment areas where schools that have an increase in pupils between October 2021 and October 2022 may attract growth funding. Predicted growth in 8 primary and 3 secondary areas may result in funding of around £427,000.
- 10.13 Work carried out by the Admissions team suggests a potential need for £300,000 – £400,000 as a bulge in primary pupils moves on to secondary schools. No schools are expected to qualify for funding in relation to falling rolls, as overall pupil numbers on the Island are not expected to rise. Criteria for payment are included in the Growth Fund/Falling Rolls Policy.
- 10.14 As in previous years, it is proposed to use any surplus in Growth Fund, as a balancing item for the overall DSG in 2023/24.

#### RECONCILIATION OF INDICATIVE DSG SCHOOLS BLOCK

- 10.15 The table at para 42, [Paper E](#) demonstrates proposals for balancing the Schools Block.

#### DE-DELEGATED SERVICES

- 10.16 Maintained schools can continue to de-delegate funding for a range of services in 3 areas. Special schools and academies may also access services and would be charged at an equivalent rate – all to be confirmed following the October 2022 census.
- Licenses and Subscriptions – Capita now deal directly with schools re the Financial Reporting Suite and it is recommended that this be removed, leaving Access Budgeting and FFT Aspire. Payable in a lump sum – 5% inflationary increase assumed.
  - TU Facilities Time – allows for the release of TU Representatives to support school-based staff and is charged on a per-pupil basis – 5% inflationary increase assumed
  - FSM eligibility checking – carried out by the Admissions Team – No change, as LA will absorb any increase.

## EDUCATION FUNCTIONS FOR MAINTAINED SCHOOLS

- 10.17 The current charge for LA statutory services is £65.50 per pupil. As the School Improvement Grant is ceasing and being rolled into the DSG, it is proposed to continue with the initial arrangement for 2022/23, to include this in the charge for Education Functions.
- 10.18 The resulting increase would be £6.50 per pupil and an overall charge of around 1.4% on individual school budgets.

## CENTRAL SCHOOL SERVICES BLOCK

- 10.19 Schools forum is consulted on this area – an allocation of £601,000 is indicated, and includes –
- DfE Copyright Licenses – assumed 5% inflationary increase,
  - Independent Non-SEN placements – based on current demand/small numbers,
  - Servicing Schools Forum (efficiencies achieved through virtual meetings), Admissions Service and Centrally Employed Teachers – no change.
  - LA Statutory Functions – balancing line.
- 10.20 BD also noted a historic commitment for re-charge from the High Needs Block towards the cost of SEN Transport incurred by the LA.

## HIGH NEEDS BLOCK

- 10.21 Further detail is included in [Paper F](#) – An £888,000 (4.5%) increase in funding is indicated, subject to the October Census – but does not meet the forecast budget gap. Operational Guidance allows LAs to transfer up to 0.5% from the Schools Block to the High Needs Block, with support of Schools Forum.
- Disapplication may be requested for a transfer above 0.5% or if Schools Forum do not support the proposal.
- 10.22 In 2022/23 the agreed 0.5% was deemed unaffordable and had to be reduced to £210,000 (0.26%).
- 10.23 It is proposed to prioritise meeting the NFF requirements and consider any pressure on the Growth Fund. Any remaining funding (up to 0.5%) may be transferred. The local funding consultation showed that schools are in support of the proposal in principle.

## LOCAL FUNDING FORMULA CONSULTATION

- 10.24 A short consultation with schools took place and closed in November. 32 of 45 schools (71%) responded. Further engagement with HT and Business Manager forums continues to generate useful questions and wider views.
- 10.25 Outcomes of the 3 main proposals are shown at para 73 in [Paper E](#) . All schools agreed to continue with de-delegated services. Concerns were noted around ongoing pressures on school budgets, including energy, inflation and future pay awards. LA Officers will continue to canvas and escalate concerns through regional and national finance networks.
- 10.26 Further information from the Autumn Statement and government news will be fed back to headteachers through HT forum meetings.

## QUESTIONS AND COMMENTS

- 10.27 [How would the DSG be affected if the historic commitment to supporting SEN Transport was not continued?](#)

Funding would not be included in the High Needs Block. There would be no additional benefit to schools.

- 10.28 Headteachers may not always comprehend the financial information and options given, as they are not financial experts. Basic explanations would be helpful at HT Forums where possible.

BD attends HT forums, which is beneficial and useful questions are raised. HTs are encouraged to raise more questions and discussion is becoming more complex as understanding is increasing.

Newer HTs are unsure and may be nervous – it would be helpful to have a session on the basics for new HTs.

**Action – BD will discuss at next HT Forum**

- 10.29 Is high needs funding based on pupil numbers?

High needs funding is driven by historic spend and based on indicators, such as pupil characteristics, IDACI and FSM.

- 10.30 How is the LA Top-Up Fund Decided?

This forms part of the budget-setting process and is shared with Councillors, then with Schools Forum in January.

- 10.31 Is there correlation between high needs in schools/LA spend and which schools attract funding? Is allocation proportionate to demographics?

This would be discussed at a higher level

- 10.32 It was noted that IW HTs receive more information in comparison to other areas.

- 10.33 What is the purpose of transferring 0.5% from the Schools Block to the High Needs Block, as the overall deficit is shown in the DSG?

DfE encourages LAs to make a contribution from the Schools Block to support all children. Most of the high needs funding goes back into schools and the IW has a high level of SEN children who must be supported. The high level of EHCPs on the IW causes ongoing pressure – 5.3% against a 4% norm.

- 10.34 It was noted that HTs and governors had highlighted concerns around surplus school places the impact/costs of keeping small schools open.

LA officers continue to work on managing surplus school places and have discussed with HTs and governors.

**RESOLVED:**

1. That school and academy members of Forum support the proposal to determine the 2023/24 Isle of Wight School funding formula using the national funding formula values listed in Appendix A. (7 for, 0 against)
2. That school and academy members of Forum agree the minimum funding guarantee (MFG) to be set at the highest level of protection (+0.5% in 2023/24). (7 for, 0 against)
3. That school and academy members of Forum agree the principle that the balancing of the formula (after accounting for any differences in protection costs and final DSG schools block allocations) is achieved by any remaining funding being held within the growth fund budget (currently estimated at £427,000) (7 for, 0 against)



4. That school and academy members of Forum endorse the two exceptional premises factors applications within the 2023/24 funding formula planning, detailed under paragraph 23. (7 for, 0 against)
5. That member representatives of primary and secondary maintained schools, voting separately, agree to continue to de-delegate funding for licenses, trade union facilities time and free school meals checking. (Primary – 4 for, 0 against) (Secondary 2 for, 0 against)
6. That maintained school representatives agree a contribution from maintained schools of £72 per pupil, to meet the cost of statutory services provided by the council for maintained schools. (6 for, 0 against) [clarified that this mostly covers support for redundancy and early retirement.](#)
7. That Schools Forum approves the proposed central school services block budgets and historic commitments for 2023/24 detailed in paragraph 56 (items b-g). (9 for, 0 against)
8. That Schools Forum agrees the principle, if affordable after prioritising meeting NFF values, protection, and growth commitments first, a potential transfer of up to 0.5% of the schools block for the 2023/24 financial year. (8 for, 1 against)

11. SAFETY VALVE AND DEDICATED SCHOOLS GRANT MANAGEMENT PLAN UPDATE [Paper F](#)

- 11.1 At the last meeting held on [14 July 2022](#) BP had introduced a number of strategies to support management of the Dedicated Schools Grant deficit, in line with the DfE Safety Valve Programme. These were shared with the Chief Executive, Chief Treasurer and DfE, with agreement that the plan is progressing on the right track.
- 11.2 The aim is to achieve an in-year balanced budget by 2026/27, which should lead to an agreement with DfE regarding the current deficit.
- 11.3 Alongside the Safety Valve Programme, DfE are running a Deliver Better Value (DBV) Programme to support other LAs who do not have such heavy deficits. Learning from this programme will be applied as the plan progresses.
- 11.4 The continuing rise in numbers of children requiring EHCPs is the main contributor to the deficit that has been increasing over recent years. Initiatives for the management plan include the development of a dynamic EHCP strategy and to increase capacity for IW placements, which will be more cost effective than mainland placements.
- 11.5 An overview of the timeline for the Safety Valve Programme is included in [Paper F](#)

QUESTIONS AND COMMENTS

[It was noted that improving the whole allocation of IW placements would help to address the overall cost of children EOTAS.](#)

RESOLVED:

That the status update regarding the DfE Safety Valve programme for the Isle of Wight be noted.

DATE OF NEXT MEETING – All meetings will be virtual through Teams.

Thursday, 19 January 2023, from 8.30am

DATES OF FUTURE MEETINGS All at 8.30am

23 March 2023

**TBC January 2024**

13 July 2023

21 March 2024

**TBC November 2023**