



Minutes

Name of meeting	SCHOOLS' FORUM
Date and time	Thursday, 11 July 2024
Venue	Webinar – Virtual Meeting
Present	Beverley Gilbert – Brading CE Primary (Chair) Samantha Rooney – Isle of Wight College Andrew Montrose – Christ the King College Rachel Richards – Cowes Enterprise College Duncan Mills – The Bay School Simon Richards – Haylands Primary Carl Wake – St Helens Primary Mandy Airey – Northwood Primary Academy Jayne Hill – Niton Pre-School & Brighstone Pre-School
Officers	Naomi Carter – Service Director, Education, Inclusion and Access Irina Rowan - Senior Finance Business Partner Debra Evans – Senior Accountant Diane Hiscock – Clerk
Apologies	Cllr Jonathan Bacon – Lead Cllr for Children’s Services and Education Ashley Jefferies – Head of Access and Resources Information Transport & Admissions Dean Prodomo – Service Manager, Education, Inclusion and Access Steve Fairclough – Brighstone CE Primary

1.	<u>WELCOME AND INTRODUCTIONS</u> Introductions were made for the benefit of observers who had not attended previously.
2.	<u>PUBLIC QUESTIONS</u>
2.1	The following question had been received – <i>The public engagement on potential primary school closures is already causing multiple pupil transfers from school to school, putting additional pressure on already stretched budgets. Governing Boards are anticipating further significant pupil transfers when the specific closure proposals are announced in September 2024 and are discussing how to fund the education of additional pupils whilst waiting for the lagged funding to be allocated through the usual budget process. What arrangements are being put in place to financially support primary schools that remain open and experience significant numbers of additional pupils both during the 2024/25 academic year and in September 2025?</i>
2.2	A formal response was given – Funding for additional pupils in the academic year 2024/25 will need to meet Growth Fund criteria. The main local criteria for eligibility requires Local Authority to request a school or academy to admit additional pupils either within or outside of

2.3	<p>PAN. Any pupil that moves to a new school before October 2024 will be on roll of a new school and will attract funding for that school in financial year 2025/26.</p> <p>When a school closes mid financial year the budget share is paid up to the closing date to that school. The remaining budget share for the financial year is distributed to the admitting schools. The criteria for distribution will reflect individual school closure circumstances.</p>
2.4	<p>A letter had been received in response to the re-distribution to schools, of surplus funding for Trade Union facilities time. The letter raised concerns around the increasing workload for paid representatives and for volunteers. It was noted that the number of cases and complexity is on a rising trend and is expected to continue through proposed school closures. SF members were asked to take account of the current and predicted situation regarding Trade Union support.</p>
3.	<p><u>DECLARATIONS OF INTEREST</u></p> <p>None declared.</p>
4.	<p><u>SCHOOLS FORUM MEMBERSHIP</u></p> <p>4.1 Medina College and Carisbrooke College joined the HISP Multi-Academy Trust (MAT) on 1 July. Mike Hayward (MH) resigned his post as Secondary (Maintained) Representative due to no longer being eligible for a maintained school post.</p> <p>4.2 Regulation requires the number of school representatives to be broadly proportionate to pupil numbers across sectors. Therefore, to remain within this ratio, it was agreed to add an Academy Representative and remove a Secondary (Maintained) Representative post from the constitution.</p> <p>4.3 Academy proprietors have been contacted to seek nominations and MH has expressed an interest in taking up the post.</p> <p>Action – Clerk to manage nomination/election process and publish updated membership information</p>
5.	<p><u>MINUTES</u></p> <p><u>RESOLVED</u></p> <p>That the minutes of the meeting held on 21 March 2024 be confirmed.</p>
6.	<p><u>MATTERS ARISING</u></p> <p>6.1 A further meeting of the sub-group took place on 4th June and work is continuing on annual plan of work linked into the Schools Forum Powers and Responsibilities. The sub-group will meet again on 16 September 2024.</p> <p>6.2 Unspent Trade Union funding was re-distributed to schools, as agreed at the last meeting (See also Item 2.1).</p> <p>6.3 Further information on the Early Years Central Team was included at the last meeting.</p>
7.	<p><u>BUDGET MONITORING AND FUNDING</u></p> <p>The report confirms the final outturn for the 2023/24 DSG budget and gives an early indication of the 2024/25 budget. The current position (31 May 2024) will change as the year progresses.</p> <p>7.1 <u>2023/24 FINAL OUTTURN</u> Paper C</p> <p>At 31st March 2024, a total overspend of £2.586m is reported and includes additional funding of £2.07m received through the Safety Valve Programme. A summary for each block is shown in the table in paragraph 3.</p>

7.2	<u>EARLY YEARS BLOCK</u>
	An underspend of £17,000 is reported. Pressure in funding for 2 yr old provision was offset by an underspend in funding for 3-4 yr olds and an underspend in the Central Services Team. It was noted that activity doesn't necessarily follow the pattern of funding received.
7.3	The final outturn will be subject to the January 2024 Census, which will be confirmed in July. Indications show decreased activity for 2 yr olds and 3-4 yr olds, which will result in an anticipated reduction of £70,000 in funding, which has been taken into account.
7.4	<u>SCHOOLS BLOCK</u>
	The majority of this funding is passported to schools. A minor Growth Fund of £326 was set but, not affordable due to rising pupil characteristics.
7.5	Unspent Trade Union funding, due to vacancies for NASUWT and VOICE was returned to school budgets. See also letter from NEU in item 2.1.
7.6	<u>HIGH NEEDS BLOCK</u>
	The final overspend of £2.657m includes the Safety Valve contribution of £2.07m, without which, the total high needs deficit would be £4.727m (22% of the High Needs Block funding for 2023/24).
7.7	This area continues to be the major contributor to the overall deficit, due to rising numbers of Education, Health and Care Plans (EHCPs), complexity of cases and increased need for places in Independent Non-Maintained Special Schools (INMS).
7.8	Increased demand for direct payments and managed educational packages led to £640,000 pressure. 64 children (an increase of 31%) required bespoke service, including alternative provision, purchased tutoring and therapies, at an average cost of £39,000.
7.9	INMS placements have a significant overspend of £807,000 due to a rise in numbers from 80 to 94; 18 of which are off-Island. The average unit cost has also increased.
7.10	Officers will continue to look at EHCPs and work on the development of further suitable SEND provision for the Island.
7.11	Demand for top-up funding for mainstream school EHCPs has continued to grow, resulting in a £234,000 overspend. More complex cases are leading to children being assessed to the higher bands for support. 85% of EHCPs are now linked to the banding system, which was introduced in 2021 and 15% are on the highest band.
7.12	Pressure also continues for discretionary top-up funding, with an overspend of £353,000. This is used to support children in mainstream schools, academies, colleges and the pupil referral unit (PRU) and reduce spending on INMS placements.
7.13	The table in para 17 shows an increase in places at Medina House and more complex cases requiring higher banding, resulting in an overspend of £152,000.
7.14	Top up funding for the PRU was overspent by £214,000. Anticipated savings through removing primary places were outweighed by the additional demand for secondary places.
7.15	Introduction of the new Primary Behaviour Service (PBS) was brought forward to September 2023 and led to an overspend of £288,000. This was partially offset by the reduction of primary places at the PRU.
7.16	An overspend on post-16 top up funding of £88,000 is reported, due to an increase both in activity and the individual unit cost.

7.17	Support for inclusion and children educated other than at school (EOTAS) shows an underspend of £84,000 due to funding recovered through 20 permanent exclusions.
7.18	A delay in recruitment to specialist SEN administration posts in the Central SEN Team has resulted in an underspend of £64,000.
7.19	<u>QUESTIONS AND COMMENTS</u> <i>A question was raised on whether spending on INMS placements would be reduced through use of the new satellite provision for St George's School.</i>
7.20	The aim is to increase SEND provision and offer an additional 201 SEND places overall. These will be for a range of children with different needs but, the intention is to reduce the need for off-Island placements and bring children back to their Island community where appropriate.
7.21	<u>CENTRAL SCHOOL SERVICES BLOCK</u> An underspend of £50,000 is due to a reduction from 2 to 1 Non-SEN INMS placement.
7.22	<u>OTHER GRANTS</u> These grants are generally passported directly to schools and include those listed in para 24 in Paper C .
7.23	<u>CUMULATIVE DEFICIT AND CARRY FORWARD</u> The final deficit of £2.586m includes the DfE Safety Valve payment of £2.07m and is approximately £2.5m worse than the Safety Valve plan developed during the partnership with Hampshire, which ended on 31 January 2024. Officers now have a better understanding and are in a good position to move forward. New and additional strategies are being developed with approval from DfE.
8.	<u>2024/25 BUDGET – OVERALL FORECAST POSITION</u> The initial forecast at 31 May 2024 shows a predicted overspend of £4.289m but, will be subject to change as the year progresses. Expected Safety Valve payments have not been included at this stage, although the first instalment has been confirmed and will show in later reports. A breakdown of funding areas is given in the table in para 28.
8.1	<u>EARLY YEARS</u> No current variances are shown. Funding will be driven by the outcome of the January 24 Census, which will be received shortly and from new autumn and spring censuses for under 2's and 2 yr old working parents.
8.2	<u>SCHOOLS BLOCK</u> The majority of this budget share is passported to schools. The Growth Fund of £206,000 is partially committed to £163,000 funding for Christ the King College and The Bay School, for additional places requested by the LA.
8.3	<u>HIGH NEEDS BLOCK</u> The £4.3m deficit indicated will change as the year progresses and strategies are developed as agreed in the Safety Valve Programme. The budget gap of £2.705m is flagged in the high needs contingency line in Appendix A.
8.4	An overspend of £721,000 is anticipated in Direct Payments and Managed Educational Packages, as there has been a rise in children who are EOTAS, since September 2023.

8.5	The increased demand for secondary places at the Island Learning Centre (PRU) has led to a projected overspend of £230,000 and will continue to vary through the year.
8.6	The table at para 36 shows how the rise in EHCPs and more complex needs have affected this budget area since 2021/22, with an overspend of £122,000 anticipated.
8.7	The new satellite provision for St George's School planned to provide for 15 places, has increased to 20 and led to a predicted overspend of £84,000.
8.8	Demand for additional places at the Resourced Provision at Greenmount Primary School, from 6 to 12, has also led to a predicted overspend of £68,000.
8.9	<p><u>CENTRAL SERVICES</u></p> <p>This budget area is currently operating as expected. A small underspend of £7,000 is due to copyright fees being less than anticipated.</p>
8.10	<p><u>OTHER GRANTS</u></p> <p>These are passported directly to schools and no variances are predicted.</p> <p><u>QUESTIONS AND COMMENTS</u></p> <p><i>Members asked how funding for places through the Growth Fund is determined.</i></p> <p>Funding is based on the number of places agreed between the LA and the school.</p> <p><u>SCHOOL FUNDING 2025/26 AND BEYOND</u></p>
8.11	Initial funding projections for 2025/26 will be based on pupil numbers from the October 2023 Census. DfE intend to fully implement the National Funding Formula by 2027/28.
8.12	<p>Communication will be sent to schools following release of the 2025/26 Operational Guidance. Consultation on the Funding Formula and proposed transfer to the High Needs Block will take place early in the autumn term.</p> <p><u>QUESTIONS AND COMMENTS</u></p> <p><i>It was noted that the percentages reported in the table at para 36 need slight correction.</i></p> <p>Action - An amended paper will be circulated with these minutes.</p> <p><u>RESOLVED</u></p> <ol style="list-style-type: none"> 1. That the outturn position on the 2023/24 schools' budget be noted. 2. That the May 2024 forecast 2024/25 position be noted. <p>AM left the meeting.</p>
9.	<p><u>2023/24 SCHOOL BALANCES (MAINTAINED SCHOOLS) PAPER D</u></p> <p>The report provides an overview of school balances at 31 March 2024 and highlights requirements for schools to comply with the IW Scheme for Financing Schools, in relation to deficit balances.</p> <p>9.1 <u>SCHOOLS 2023/24 OUTTURNS</u></p> <p>IOW maintained schools have their own bank accounts, which adds to year-end responsibilities. All but one school managed to work with the Education Finance Team to complete closedown on time.</p> <p>9.2 An overall surplus balance of £3.094m brought forward from 2022/23 has increased to £4.2m for 2023/24.</p> <p>9.3</p>

9.4	<p>The number of schools in deficit increased from 5 to 9 (23%). The closure of Chillerton & Rookley Primary School reduced the number by 1 but, 5 other schools ended the year with a deficit budget, as noted in para 5 in Paper D.</p>
9.5	<p>It was noted that 22 schools operated with in-year deficits and used previous surplus balances. Pressures include falling pupil numbers, pay awards, increasing EHCPs and inflation.</p>
9.6	<p>However, 73% of schools were able to improve their outturn position through careful budgeting.</p>
	<p><u>SCHOOLS FINANCIAL VALUE STANDARD (SFVS)</u></p>
9.7	<p>This is a mandatory return required by DfE. Governors must submit the return to the LA to demonstrate good financial management. All maintained schools completed the process on time and the LA statement was submitted to DfE on 22 May 2024.</p>
	<p><u>SCHOOL BUDGET PLANS 2024</u></p>
9.8	<p>The majority of maintained schools submitted 3-year budget plans on time. An extension was given to Carisbrooke and Medina Colleges, for additional work to be carried out with the School Resource Management Advisor (SRMA). Pressure continues as schools try to match expenditure with income received, as noted in item 9.4 above.</p>
9.9	<p>Current predictions show that the number of schools in deficit is likely to increase to 10. 3 schools with unlicensed deficits are expected to come out of deficit whilst a further 4 schools are expected to enter into deficit. LA Officers will continue to work with these schools and SRMA support has been agreed for one.</p>
9.10	<p>Year 2 early predictions show a possible increase to 43% of schools being in deficit. The LA will work with schools to monitor and advise.</p>
9.11	<p>At year 3, 65% of schools anticipate a deficit budget. However, this information is to be treated with caution, as variances feed into annual budgeting, planned actions take effect and pay award information is received.</p>
9.12	<p>The Scheme for Financing Schools outlines how schools are required to submit a 3-year budget plan in May and provide a mid-year submission in November. Deficits must be approved by the LA, with a plan for recovery within 3 years. In exceptional cases, the Director of Children's Services (DCS) can agree a 5-year recovery plan. In no circumstances can a school stay in deficit for more than 5 years without a Notice of Concern or suspension of the school budget.</p>
	<p><u>SCHOOL CHALLENGE AND SUPPORT</u></p>
9.13	<p>Support is provided through understanding individual school circumstances, good communication and a RAG rating system is applied to assess risk.</p>
9.14	<p>A list of possible interventions is included at para 17 of the report. An annual review of budget submissions is undertaken. A letter from the DCS is sent to schools where appropriate.</p>
9.15	<p>The LA continues to monitor school budgets through taking part in School Business Manager (SBM) network meetings, liaising with the Schools Reorganisation Panel, inter-departmental working and use of DfE benchmarking tools.</p>
	<p><u>DFE ACTION PLANNING</u></p>
	<p>LAs are required to complete high level action plans where the number of schools in deficit is more than 10% of maintained schools. IOW maintained schools are just under the threshold at (9.7%) for 2023/24.</p>

<p>9.16</p> <p>9.17</p> <p>9.18</p>	<p><u>ACADEMY DATA</u></p> <p>Academy data is not included within LA remit but, information is available on the DfE Benchmarking site and noted in para 21 of Paper D.</p> <p><u>QUESTIONS AND COMMENTS</u></p> <p><i>An enquiry was raised on the impact on the 2024-25 forecast outturn position with Medina and Carisbrooke Colleges becoming academies and whether this may affect the number and percentage of schools declaring a budget deficit in 2024/25.</i></p> <p>Action – Information to be included in papers for the next meeting on 24 November 2024.</p> <p><i>A request was made for information on how funding to support schools in financial difficulty had impacted the outturns of those schools.</i></p> <p>Action – Information to be included in papers for the next meeting on 24 November 2024.</p> <p>It was confirmed that DfE would require a high-level action plan if IOW schools in deficit exceed 10% in 2024/25. This would include specific support and actions and would link to place planning and other factors affecting school budgets. However, it was noted that place planning cannot be used as an excuse.</p> <p>A letter was sent to all headteachers and governors to confirm requirements in relation to submission of budget plans and licensed deficits.</p> <p><u>RESOLVED</u></p> <p>That the school balances position for the Isle of Wight local authority maintained schools be noted.</p>
<p>10.</p> <p>10.1</p> <p>10.2</p> <p>10.3</p> <p>10.4</p>	<p><u>SCHEME FOR FINANCING SCHOOLS</u> Paper E</p> <p>This document outlines the relationship between the LA and maintained schools and was last reviewed in March 2023. The LA is required to consult on changes, other than minor housekeeping. This updated version is effective from 1st April 2024 and takes account of changes in legislation in relation to borrowing by schools, which is explained on page 18 of the scheme.</p> <p>All leases will now be classed as finance leases, for accounting purposes (i.e. no longer a distinction between operating and finance leases).</p> <p>Blanket consent has been granted by the Secretary of State to cover a range of the most common leases, listed in para 5 of the report.</p> <p>The change affects point 3.6.3 and is amended in the scheme for 1st April 2024.</p> <p>MA left the meeting.</p> <p><u>QUESTIONS AND COMMENTS</u></p> <p><i>Brief discussion took place on the value of requiring schools to submit a 3-year budget plan, when years 2 and 3 should be considered with caution and the future of school funding is subject to levels of variation.</i></p> <p>It was confirmed that submission of budget plans enables the LA to</p> <ul style="list-style-type: none"> • identify prospective issues at an early stage and work with schools to mitigate financial risk. • support schools in developing a more affordable staffing and curriculum model.

- Identify anomalies and indicators for action/support.
- Challenge the GB where there may be concerns.

RESOLVED

That the update to the Isle of Wight Scheme for Financing Schools applicable from 1st April 2024 be noted by maintained school representatives.

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

Thursday, 14 November 2024 - 8.30am

DATES OF FUTURE MEETINGS All at 8.30am

16 January 2025

20 March 2025

SUB-GROUP MEETING

16th September 2024