



**North Tyneside Council**

## North Tyneside Council

### SCHOOLS FORUM

Wednesday 10 March 2021 - 12:30 – 14:30

The meeting will be held virtually and will be live streamed at the following link: <https://youtu.be/qGB9jN8NRCc>

### AGENDA

1.	Apologies for Absence	Chair
2.	Attendance Register/ Membership	Chair
3.	Virtual Public Meeting / Observers (*)	Chair
4.	Declaration of Interest	Chair
5.	Minutes of the last meeting <b>Pages 5-12</b>	Chair
6.	Matters Arising: <b>Verbal Update</b>	
6.1	Finance Update <b>Circulated - Pages 13-22</b>	CE
6.2	Central Schools Services Block <b>Verbal Update</b>	CE
7.	Any Other Business	
8.	Date of Next Meeting – Wednesday, 7 July 2021	Chair

North Tyneside Council Schools Forum,  
Financial Services, Quadrant, The Silverlink North, Cobalt Business Park,  
North Tyneside, NE27 0BY. Tel: (0191) 643 5991

North Tyneside Schools Forum Member Roles & Voting								
de-delegation Primary	de-delegation Secondary	scheme for financing schools	consultation on funding formula	General Duties	Retained Duties	all other matters	<i>last updated September 2019</i>	
1	2	3	4	5	6	7		
Voting							<b>Phase</b>	<b>Role</b>
<b>School Members</b>								
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
<b>Other School Members Non Locality Based</b>								
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
<b>Non Schools Members Non Locality Based</b>								
		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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### Timetable & Forward Plan 2020/21

Date	Activity	Responsible
8 September	<u>Schools Forum Meeting</u> 1. To include appointment of Chair and Vice Chair 2. Review of the Constitution and supporting documents	Schools Forum
1 October	School Census Day	DFE/ESFA
11 October	Application for submitting disapplication requests	Local Authority
11 November	<u>Schools Forum Meeting</u>	Schools Forum
20 November	Deadline for submitting disapplication requests	Local Authority
28 November	Deadline for submitting disapplication requests if wish to move more than 5% of the Schools block	Local Authority
November	School census database closed. Checks and validation commences	DFE/ESFA
13 January	<u>Schools Forum Meeting</u>	Schools Forum
20 January	Submit final proposals re APT	Local Authority
21 January	Deadline for submissions of final 2021 to 2022 APT to ESFA	Local Authority
1 February	Cabinet Meeting for approval of 21/22 Schools Funding	Local Authority
22 February	Cabinet Meeting	Local Authority
26 February	Deadline for confirmation of Schools budget shares to mainstream maintained schools.	DFE/ESFA
10 March	<u>Schools Forum Meeting</u> 1. Capital Investment Plan (subject to DFE announcement) 2. Scheme for Financing Schools – Annual Update (and review if required)	Schools Forum
6 April	Cabinet Meeting	Local Authority
7 July	<u>Schools Forum Meeting</u> 1. Service Manager Reports/ Updates 2. Responsibilities for Redundancy & Early Retirement Costs – Annual Update	Schools Forum

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North Tyneside Council

# Minutes

**Meeting** Schools Forum **Date** Thursday 13 January 2021

**Location** Via Microsoft Teams

**Present**

✓ Present  
D Deputy  
A Apologies  
O Absent

Name	Organisation	Representing	08.12.20	13.01.21
Andrew James	St Aidan's Primary	Primary	O	✓
Angi Gibson	Hadrian Park Primary	Primary	Wayne Myers	✓
Candida Mellor / Claire MacLeod	Trade Unions	Trade Unions	Claire Macleod	Claire Macleod
David Baldwin	Churchill Community College	Secondary	✓	N/A
David Bavaird	Norham High School	Governor - Secondary	✓	✓
David Watson	St Thomas More	RC Schools	✓	✓
Gavin Storey	Cullercoats Primary	Primary	✓	✓
Jill Wraith	Benton Dene Primary	Primary	✓	✓
Joanne Thompson	Holystone Out of School	Early Years PVI	A	✓
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	✓	✓
Laura Baggett	Monkhouse Primary	Primary	✓	✓
Marie Flatman / Mo Dixon	Tyne Met	16-19 Provider	O	Marie Flatman
Fr Martin Lee	Diocese	C of E Diocese	✓	✓
Matt Snape	Marden High School	Secondary	✓	✓
Michael Young	Spring Gardens Primary	Primary	✓	✓
Paul Mitchell	Whitley Bay High School	Governor – Secondary	✓	✓
Paul Johnson	Churchill Community College	Secondary		✓
Peter Gannon	Silverdale School	Special	✓	✓
Peter Thorp	Redesdale Primary	Governor - Primary	✓	A
Philip Sanderson	Kings Priory	Academy	✓	✓
Stephen Baines	Holystone Primary	Primary	Barbara Middleton	✓
Stephen Easton	Marine Park First School	First	A	✓ *Joined late
Steve Wilson	Whitley Bay High School	High	A	✓
Tim Jones	Langley First School	Primary	✓	✓
<b><u>In Attendance:</u></b>				
Mark Longstaff	Head of Commissioning & Asset Management	NTC	✓	✓
Claire Emmerson	Senior Manager - Finance Strategy & Planning	NTC	✓	✓
Noel Kay	Senior Business Partner, Finance	NTC	✓	✓

Diane Thompson	Finance	ENGIE	O	✓
Christina Ponting	Senior Manager - Schools HR	ENGIE/NTC	✓	✓
Mary Nergaard	PA to Head of Commissioning & Asset Management	NTC	✓	✓
Diane Buckle	Assistant Director for Education	NTC	✓	✓
Kevin Burns	Senior School Improvement Officer (Vulnerable Learners)	NTC	✓	✓
Rob Smith	School Improvement Advisor, PE, Sport & Health	NTC	✓	N/A

Item		Action
<b>1.</b>	<b>Apologies for Absence</b>	
	See Table above.	
	The Chair welcomed everyone to the Schools Forum.	
<b>2.</b>	<b>Attendance Register / Membership</b>	
	<ul style="list-style-type: none"> <li>Father Martin Lee, who is the new C of E Diocese representative has now received his Schools Forum induction</li> <li>Chair noted the importance of a Vice Chair to prevent any conflicts of interest on the subject of High Needs and asked for nominations</li> <li>MY volunteered and Forum agreed. Michael Young was therefore appointed as Vice Chair</li> </ul>	
<b>3.</b>	<b>Public Meeting / Observers</b>	
	The Chair welcomed the public to the meeting	
<b>4.</b>	<b>Declaration of Interest</b>	
	Item 6.2c – David Watson (Growth Policy)	
<b>5.</b>	<b>Minutes of the last meeting</b>	
	<p><b>26 November 2020</b></p> <p>Minutes agreed as an accurate record of the meeting with an amendment recorded in relation to page 9, item 7 – Any other Business: Schools SLA Sub-Group. (amendment shown in italics)</p> <ul style="list-style-type: none"> <li>“AJ noted that schools can have a better understanding of the costs if they had a breakdown. ML agreed that this can be provided to individual schools on request.” <i>AJ noted that this should be provided as a matter of course</i></li> </ul> <p>ML agreed to this request</p> <p><b>8 December 2020</b></p> <p>Minutes agreed as an accurate record of the meeting.</p>	
<b>6.</b>	<b>Matters Arising</b>	
	<p><b>26/11/2020, Page 2, Item 6 – Matters Arising: Overall Budget Position</b></p> <ul style="list-style-type: none"> <li>Update provided under Item 6.1</li> </ul>	
	<p><b>26/11/2020, Page 8, Item 6.3 – Special Leave SLA:</b></p> <ul style="list-style-type: none"> <li>Update provided under Item 6.2</li> </ul>	

	<b>26/11/2020, Page 9, Item 7 – Any Other Business:</b> <ul style="list-style-type: none"> <li>• Next Schools SLA sub-group meeting scheduled on 29 January 2021</li> <li>• Energy Management SLA – Iain Betham has spoken to SB to begin discussions</li> </ul>	
	<b>08/12/2020, Page 4, Item 5 – De-delegated / Centrally Retained Services:</b> <ul style="list-style-type: none"> <li>• Working Groups are in the process of being set up. DBu will lead on the School Improvement Service group and CE will lead on the Statutory Services group.</li> <li>• Initial report to come back to Forum at Easter with the final report coming back to Forum in July</li> <li>• Angi Gibson indicated an interest in being involved in the working group(s)</li> </ul>	
<b>6.1</b>	<b>Council Financial Position – Update</b> <b>Claire Emmerson</b>	
	<p>CE talked through a PowerPoint presentation outlining the proposals that will be presented to Cabinet and sent out for consultation with key stakeholders, which includes an update on the impact of Covid.</p> <p>Discussion followed around:</p> <ul style="list-style-type: none"> <li>• When can we expect the final settlement confirmation? CE noted that the provisional statement is usually representative of the final settlement. Final announcement expected early February ahead of final budgets going to Full Council</li> <li>• Any risks from Brexit? CE noted that we have risk assessments in place as part of the Brexit plans. Possible impact in procurement linked to the supply chain and potential Tariffs were discussed</li> <li>• A query was raised on costs linked to governance/legal changes following Brexit. CE noted that the Authority has risk register that looks at all the possible issues. The Risk Register is provided as an Annex to the budget report to Cabinet. Any potential issues are taken into consideration when carrying out budget preparations</li> </ul> <p>The Chair thanked CE for this update. Forum noted the contents.</p>	
<b>6.2</b>	<b>Schools Finance Policy &amp; Practice update to include (as applicable):</b>	
	<p><b>a) National Funding Formula</b> <b>Claire Emmerson</b></p> <p>CE talked through the briefing paper. Apologies were provided for the delay in circulation of the report. It was noted that the briefing note contained some errors and that a revised version would be circulated as soon as possible. Main points to note as follows:</p> <p><b>i. Local Funding Formula (Schools Block)</b></p> <ul style="list-style-type: none"> <li>• Allocation for 2021/22 within the four blocks was provided</li> <li>• Overall increase of £13.559m, which included £10.4m in the Schools Block</li> <li>• The reduction in the CSSB was lower than anticipated at £0.174m</li> <li>• Schools Block:</li> </ul>	

- Funding Allocation - £137.231m – 8% increase from 2020/21 (Includes the teachers PA and TPG)
- Falling Rolls - £0.250m
- Growth Funding £0.710m (subject to forum approval)
- Funding distributed through formula - £136.140m
- Minimum Funding Guarantee set at 0.70%, Capping at 4.25%
- Authority Proforma Tool Submitted 21 January 2021
- Figures achieved by following Model 2 as previously agreed by Schools Forum

## ii. High Needs

- Funding Allocation - £26.418m – 13% increase from 2020/21 (Includes the teachers PA and TPG)
- £3.690m in year pressure as well as a deficit of £4.542m relating to previous years. Total pressure of £8.232m
- Following consultation, 55% voted against a Schools Block transfer to High Needs, therefore there is no proposed transfer. However, it is noted that the vote was much closer than in 2020/21
- Forum and schools should note that the significant pressure is expected to rise further
- The DfE requires all Authorities with a deficit of more than 1% to submit a recovery plan
- Will have to consider Block transfer in future years as part of the High Needs Recovery plan to support the transition

Discussion followed around:

- What are the timescales for the recovery plan? CE noted that the exact deadline is not known at this stage but during the course of 2021/22 we will need to work with Forum and with officers in High Needs to agree a strategy
- Out of Borough provision. ML noted that it is our ambition for all children to be educated within their own communities. A number of years ago we saw a reduction in the number of children going out of borough. As part of the recovery plan we should be looking at solutions that minimises out of borough placements whilst recognising that, where specialist support is required, this may require going outside of the borough
- How much of the allocation does the PA and TPG account for? DT confirmed that it represents 1.75% of the High Needs allocation
- How does NT compare to other LAs? CE noted that this is a national issue
- How is the £8m pressure being financed? Are we funding this through any surplus we have in wider schools pot and therefore if the overall school pot is ever empty due to cost pressures on schools block how would it be financed? CE noted that the DSG is ringfenced and can't be supported by the Authority's General Fund to offset any pressures in High Needs. The LA can not use the General Fund to support High Needs. Therefore, the high needs deficit is contained within the DSG.



- Which group is looking at this and what are the next steps? CE noted that internally we have a High Needs Strategic Planning group but there needs to be more involvement from Schools Forum

### **iii. Central Schools Services Block**

- Funding allocation is £1.877m – net reduction of 8.48%
- Summary provided of the decisions already agreed by Schools Forum
- The changes to the funding allocation now means that re-designation of Schools in Financial Difficulty would only be 0.124m
- This now leaves £3.726 in the Schools in Financial Difficulty which will be ringfenced.
- Working group meetings are in the process of being arranged
  - School Support Service – Diane Buckle to lead
  - Statutory Services – Claire Emmerson to lead

### **iv. Early Years**

- Small increase in funding
- The Authority is modelling proposals for 2021/22 formula which will be shared prior to implementation

### **b) De-Delegation including Centrally Retained**

- Adjusted the pupil numbers to take into account those schools that will be moving to become an academy
- Majority of pupil rates remain unchanged
- Main change is in EMTAS and Special Leave
- EMTAS:
  - Now reflects the national funding formula values
  - £550 primary schools and £1,485 for secondary schools previous rate was £1,212 per pupil for both phases
  - Much reduced on previous year
- The Chair took forum through the table line by line
- 3 proposed options for special leave were discussed based on a 3 year trend analysis
- Last year appeared to be a peak year whereas this years appears to be a lower year but there will still be a gap
- In January 2020 Forum agreed an increase of 2.75% which was further increased to 6% in March 2020
- Background provided on the increase implemented last year which forum agreed to review year on year.
- Previously agreed that this had to be a self funding SLA
- There are 2 parts to the SLA:
  - Maternity, Paternity, Adoption, Shared Parental leave, Jury service
  - Trade union facility time
- Impact of pay awards and annual reviews on basic salaries discussed
- Pay award not yet known and it's impossible to predict the level/number of claims
- Impact of schools moving to academies discussed.

- Overview of options for 2021/22 provided as follows:
  - Option 1 – 2% increase (£0.5244 per pupil)
  - Option 2 – 3% increase (£0.7866 per pupil)
  - Option 3 – based on a number of assumptions, increase would need to be 16% (£4.22 per pupil)
- Discussion followed around the pros and cons of each option
- **Forum agreed to option 2**
- Shortfall for 2020/21 discussed. Current refund value of 85.5%
  - Option 1 – no change at £26.22 per pupil
  - Option 2 – Proposed rate of £26.67 (increase of £0.45 per pupil)
  - Option 3 – Proposed rate of £29.63 (increase of £3.41 per pupil)
- CP noted that there was some last minute movement in the figures last year that meant the final outturn was better than expected.
- **Forum agreed to option 1**

### c) Growth Policy

- 2020/21 Forum agreed to set aside £0.250m from schools block to create a growth fund and agreed to devise a Growth Policy
- Notional funding allocation based on difference between October Census
  - Notional allocation in Schools block for 2020/21 - £0.745m
  - Notional allocation in Schools block for 2021/22 - £0.710m
- Growth Fund allocations are governed by the guidance provided by the ESFA. Overview of the conditions was provided
- Clarification on the conditions for Schools in Financial Difficulty was provided as follows:
  - The growth fund must not be used to support:
    - schools in financial difficulty; any such support for maintained schools should be provided from a de-delegated contingency; and
    - general growth due to popularity; this is managed through lagged funding.
- Overview of the proposed policy provided
- Proof of costs would be a requirement of the funding allocation
- An assessment has been carried out on all schools that the Authority anticipates may be eligible to apply and based on initial assessments, a fund of £0.543m would be required
- Potential scenarios were discussed

Discussion followed around:

- Any school which thought they would require access to the Growth fund would speak to the Local Authority
- To date the funding of £0.250m has been set aside but the draft Growth Policy has only just been agreed in principle pending approval from Schools Forum. Therefore, schools may not have been aware that they can apply for funding
- Growth Fund should be allocated before Headroom. If a school has received headroom will that impact on what they will receive in Growth Fund. CE noted that each policy stands alone and schools would not be

	<p>excluded from applying for relevant funding if they met the funding criteria for each policy.</p> <ul style="list-style-type: none"> <li>• Will the Local Authority agree to a school's request to increase PAN if there are surplus places in other schools which are struggling for pupil numbers/funding? CE confirmed that the Authority would say no</li> <li>• A query was raised in relation to the popularity test. CE noted that if a school has admitted above its PAN to the detriment of other schools, they would not be eligible for funding. Other factors including class organisation will also be taken into consideration</li> <li>• CE noted that other Local Authorities have developed Growth Policies that reflect the proposals being put forward</li> <li>• PM noted that the future operation of these schemes and their linkage needs to be reviewed. CP noted that the Schools Forum sub-group and CE have already acknowledged this for future application</li> <li>• Any residual funding would initially be held within the Growth Fund, however there would be a possibility of reducing future years Growth Fund requirements to keep the fund at a level which supported implementation of the policy.</li> <li>• AJ asked who agrees the applications. CE confirmed that the Local Authority will apply the eligibility criteria and present the recommendations to Schools Forum in the same way as applications for Schools in Financial Difficulty</li> </ul> <p><b>Recommendations</b></p> <p>Schools Forum is asked to:</p> <ul style="list-style-type: none"> <li>• Note update on the allocations for 2021/22 for each of the four funding blocks and the proposals for the distribution of funding; <b>Noted</b></li> <li>• Note the changes to the Schools block funding and the impact of the changes following 100% movement to the NFF; <b>Noted</b></li> <li>• Approve the services funded under CSSB as outlined in table 5; <b>Approved</b></li> <li>• Acknowledge the pressure in the High Needs block; <b>Acknowledged</b></li> <li>• Acknowledge the changes to Early Years funding allocations proposed for 2021/22 and that the funding formula will be shared with the sector prior to implementation; <b>Acknowledged</b></li> <li>• Agree to offset the in-year impact of the CSSB funding for the Schools Support Service and High Borrans using the schools in financial difficulty allocation; <b>Agreed</b></li> <li>• Approve the de-delegated items rate per pupil outlined in table 6; and <b>Approved</b></li> <li>• Approve the Growth Policy &amp; Funding allocation for 2020/21 and the level of growth funding for 2021/22. <b>Approved. Voting summary as follows:</b> <ul style="list-style-type: none"> <li>○ <b>Eligible voters = 26</b></li> <li>○ <b>Votes For = 16</b></li> <li>○ <b>Votes Against = 3</b></li> </ul> </li> </ul>	
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	<ul style="list-style-type: none"> <li>○ <b>Apologies for absence = 4 (1 in advance, 3 left the meeting before voting commenced)</b></li> <li>○ <b>Abstained = 3</b></li> </ul>	
<b>7.</b>	<b>Any Other Business</b>	
	No matters arising	
<b>8.</b>	<b>Date of next meeting</b>	
	Wednesday 10 March 2021 at 12:30pm	



# Briefing note

**To:** Schools Forum

**Author:** Claire Emmerson

**Date:** 10 March 2021

**Purpose of the Paper:**

Information	√
Consultation	√
Decision	

## Title of Briefing: Finance Update

### Purpose of Paper

- 1.1 This paper provides an outline of the overall schools' position after the second termly monitoring which took place in January and February 2021. A summary of the High Needs budget monitoring position as at the end of February 2021 is included in section 3.
- 1.3 The paper also gives an update of the survey in relation to the proposed budget tool replacement.

### Update on second termly monitoring position for 2020/21

- 2.1 Forum will recall that in 2019/20 it was reported that schools had a year-end outturn of £0.165m, against a forecast budgeted deficit of £4.661m. The first monitoring of 2020/21 reported that a £5.677m deficit was forecast against the initial estimated budgeted deficit position of £6.681m, which was an improvement against budget of £1.078m.
- 2.2 The second set of budget monitoring for the financial year has recently been completed, with a few outstanding queries still being worked through. Initial forecasts across all school phases (as shown in table 1 below) now reflect a forecast deficit of £2.900m, which is an improvement since the first monitoring of £2.777m. This also reflects an overall improvement against budget of £3.855m. Highlighted figures may still change following resolution of the outstanding queries, this will be updated at Forum.

### 2.3 Table 1: Second Monitoring Results for Schools – 2020/21

Phase	Outturn 2019/20 £m	Budget Plan 2020/21 £m	Monitoring 1 2020/21 £m	Monitoring 2 2020/21 £m	Variance To Budget £m
Nursery	0.127	0.053	0.086	0.099	0.046
First	0.746	0.666	0.619	0.910	0.244
Primary	3.497	2.271	2.692	3.232	0.961
Middle	0.437	0.276	0.338	0.523	0.247
Secondary	(5.549)	(9.679)	(9.766)	(8.056)	1.623
Special / PRU	0.907	(0.341)	0.353	0.392	0.734
<b>Total</b>	<b>0.165</b>	<b>(6.755)</b>	<b>(5.677)</b>	<b>(2.900)</b>	<b>3.855</b>

2.4 The improvement in the forecast is despite the impact of COVID-19 on schools and shows that most schools are managing to control the financial impact of the pandemic with reduced costs based on their initial estimates of the financial impact of COVID-19. There are some schools, such as Greenfields Primary and the emerging deficit school, which have struggled with the additional costs of COVID-19.

2.5 The improvement in forecast outturns for schools includes one additional school which is now forecasting unauthorised deficits over £5,000 in 2020/21. This school is currently showing a forecast that is £0.028m worse than budget at the second monitoring, as shown in table 2.

### 2.6 Table 2: Emerging Deficit Schools in 2020/21

School	Budget Plan 2020/21 £m	Monitoring 1 2020/21 £m	Monitoring 2 2020/21 £m	Variance To Budget £m
Burradon Primary	0.003	(0.007)	(0.025)	(0.028)

2.7 There were twelve schools with deficits identified at budget setting and their current forecasted positions are shown in Table 3 below. Eight of these schools were in deficit in 2019/20, with two identified as structural deficits. All bar one of these schools are showing improvements reflecting plans put in place to mitigate their deficit positions, showing an overall £1.185m improvement against budget and a favourable movement of

£0.833m since the first monitoring. The schools still showing adverse variances are working to mitigate the causes of further unforeseen pressures.

**2.8 Table 3: Existing Deficit Schools in 2020/21**

	<b>Budget Plan 2020/21 £m</b>	<b>Monitoring 1 2020/21 £m</b>	<b>Monitoring 2 2020/21 £m</b>	<b>Variance To Budget £m</b>
Benton Dene Primary	(0.022)	(0.010)	0.018	0.041
Forest Hall Primary	(0.014)	(0.015)	(0.005)	0.010
Greenfields Primary	(0.120)	(0.178)	(0.181)	(0.061)
Holystone Primary	(0.032)	0.020	0.010	0.041
Ivy Road Primary	(0.300)	(0.243)	(0.211)	0.089
St Mary's R C N/S	(0.033)	(0.039)	(0.001)	0.032
Marden Bridge Middle	(0.067)	(0.042)	0.032	0.099
Marden High	(0.494)	(0.475)	(0.074)	0.419
Norham High	(3.193)	(3.189)	(3.141)	0.052
Longbenton High	(2.610)	(2.610)	(2.510)	0.100
Monkseaton High	(5.164)	(5.090)	(4.958)	0.206
Beacon Hill	(0.773)	(0.598)	(0.572)	0.202
<b>TOTAL</b>	<b>(12.822)</b>	<b>(12.469)</b>	<b>(11.592)</b>	<b>1.230</b>

2.9 Additional governance arrangements and monitoring meetings have been put in place with the twelve existing deficit schools. School Improvement, HR and Finance officers will continue to meet with Head Teachers and Governing Body representatives for all schools in deficit to monitor the specific requirements of each individual school's deficit and recovery plans to support bringing them back into balance.

### High Needs Block

3.1 The High Needs block ended 2019/20 with a pressure of £4.542m. Forum should note that the High Needs block forms part of the Dedicated Schools Grant (DSG) which is ring-fenced and does not form part of the General Fund. This overall pressure in the High Needs block is in line with the national and regional picture and Forum will be

aware of the high level of interest in special needs provision and associated funding issues in the national media.

- 3.2 The forecast at February 2021 for the High Needs block has worsened since the last report with an anticipated in-year pressure of £4.325m (November, £3.457m) reflecting a rise in demand for special school places within the Authority and a general increase in complexity of children supported in special schools and within mainstream schools. A breakdown of the in-year pressure is shown in Table 4 below.

3.3 **Table 4: Breakdown of High Needs in Year Pressures at February 2021**

<b>Provision</b>	<b>Budget £m</b>	<b>Forecast Feb £m</b>	<b>Variance £m</b>	<b>Comment</b>	<b>Variance Nov £m</b>
Special schools and PRU	12.797	15.021	2.224	Pressure on places for children with profound, Multiple Learning Difficulties, Social Emotional and Mental Health problems and Autism Spectrum Disorder	1.866
ARPs/Top ups	3.655	4.919	1.264	Pressures in pre 16 top ups e.g. Norham ARP. Melrose transfer to Southlands represents change	0.991
Out of Borough	2.515	3.267	0.752	Increased number of children placed outside North Tyneside Schools	0.565
Commissioned services	3.956	4.041	0.085	Additional staff and commissioned service	0.035
<b>Subtotal</b>	<b>22.924</b>	<b>27.249</b>	<b>4.325</b>		<b>3.457</b>
2019/20 b/f			4.542		4.542
<b>Subtotal</b>			<b>8.867</b>		<b>7.999</b>



## **Proposed Budget Tool Project**

- 4.1 Forum will recall that a number of budget tool demonstrations were organised for schools throughout January, with a survey being made available for schools to assess the need for a new tool and the systems demonstrated.
- 4.2 A report of the survey findings has been included as appendix A. Based on these findings Schools Finance are recommending that a procurement exercise is undertaken using the Government G-Cloud contracts which will be carried out on behalf of those schools that have not yet bought into a budget tool already. This procurement would be on behalf of schools but would need to be financed by schools individually.
- 4.3 Once the system is secured, the plan would be to set up the tool, train all staff and begin using the tool for budget planning for 2022/23 and future years.

## **Recommendations**

- 5.1 Schools Forum is asked to:
  - Note the forecast position for schools after the second termly monitoring process;
  - Note the latest position for the High Needs Block as reported in February; and
  - Approve the planned approach to secure a new budget tool for use in the 2022/23 to 2024/25 budget planning cycle.

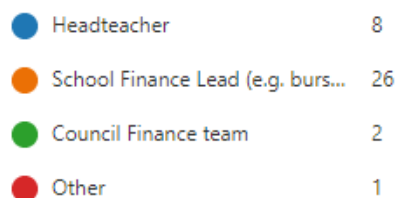
## North Tyneside Budget Tool Project Survey

Here are the results of the survey into replacing the current budget tool completed by schools following the budget tool demonstrations provided by Access Education and School Business Services in January 2021.

Schools were asked a number of general questions about the project to replace the current budget tool, plus specific questions about the two tools demonstrated.

Please select your responsibilities within this organisation:

[More Details](#)



Do you agree that the existing budgeting tool provided by the School Finance Service within North Tyneside Council needs to be replaced or updated?

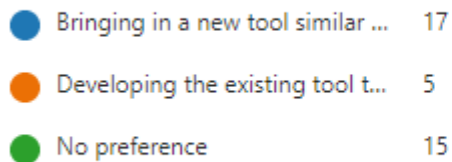


Do you agree the optimum solution would be to replace the existing budgeting tool with one that is supported centrally by the School Finance Service within North Tyneside Council? This would mean any tool would be fully integrated into the North Tyneside IT systems and managed centrally.



Would you prefer we look at:

- Bringing in a new tool similar to the tools demonstrated in January
- Developing the existing tool to deliver more functionality
- No preference



Would you be willing to pay an increased SLA fee for the added functionality of the budget tools that have been demonstrated?



Are you willing to take part in a pilot of one of these systems, if we choose to use this as an assessment route?



## Demonstrated Tools Results

Following the demonstrations of the two popular budget tools available, schools were asked to rate the tools over four statements, plus give the score the tools on whether they would recommend we use that tool, giving a net promoter score (NPS) rating. These tools are

available on the G-Cloud provided by Central government so any centrally managed procurement exercise would be much easier than usual.

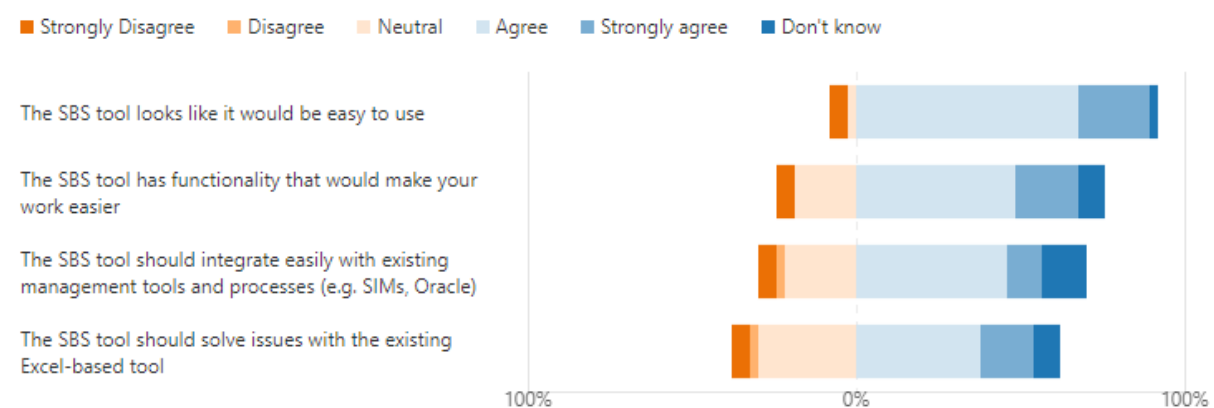
Both tools received generally positive reviews, though both NPS scores were below average. Following the demo sessions both providers were asked to supply what they see as the main benefits moving to their tool would bring to our schools.

### SBS Tool Demonstration Results

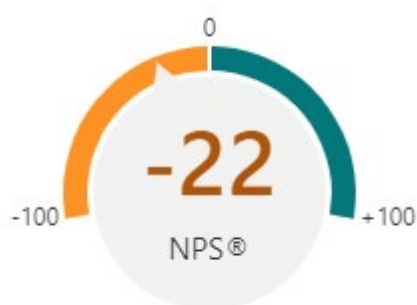
The SBS tool was demonstrated at weekly sessions throughout January. The results given below include replies from schools that have already purchased the SBS system.

Whilst both systems were positively scored, the SBS tool scored better on ease of use, based on the demos.

### SBS Tool Usage Ratings



### SBS Tool NPS Score



The SBS NPS score came in at -22, with an average score of 7.05 out of 10.

### Benefits of Transferring to the SBS Tool

SBS provided the following benefits to using their tool following discussions with other adopters within their customer base:

- Budget export – budget broken down by code/profile. Exported into excel and in the correct format to import straight into FMS
- Export Cumulative Expense Analysis – exported straight from FMS and imported into SBS Budgets for Budget Monitoring

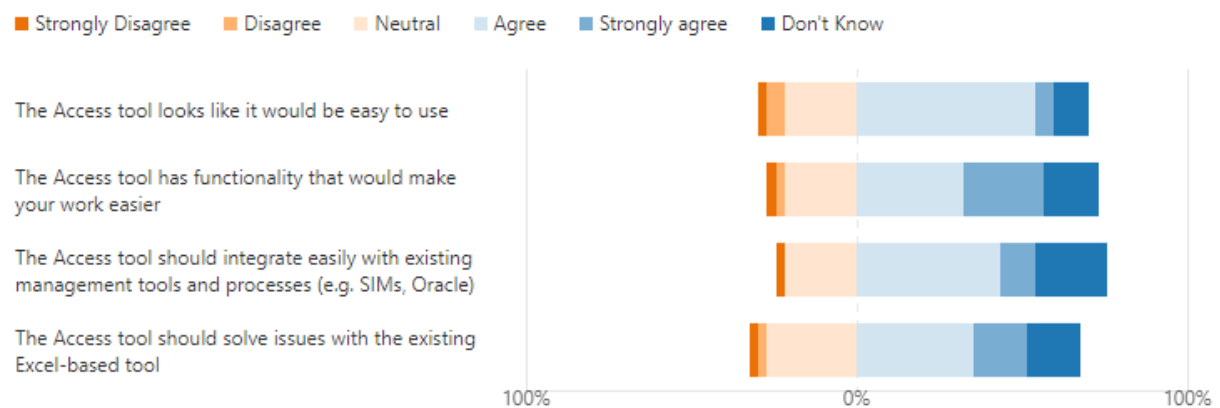
- Payroll reconciliation – import monthly payroll file and gives automatic reconciliation against expected amounts
- Salary Statements – run these straight off for all staff
- Duplicate budgets/scenarios at any time keeping all core data the same
- Bulk actions on a number of areas such as staff increments, budget entry inflation and budget entry profiling
- All initial information is setup by us so schools will have that starting point

## Access Tool Demonstration Results

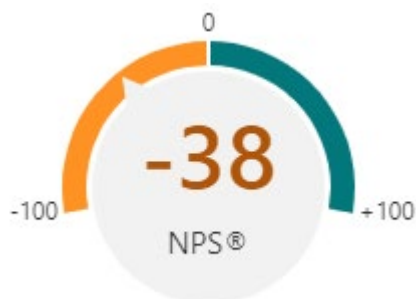
The Access tool was demonstrated at a single session in January. The results given below include nil replies from schools that have already purchased the SBS system.

Whilst both systems were positively scored, the SBS tool scored better on integration, based on the information gleaned from the demo..

### Access Tool Usage Score



### Access Tool NPS Score



The Access NPS score came in at -38, with an average score of 6.24 out of 10.

## Benefits of Transferring to the Access Tool

Access provided a brochure on the benefits of transferring to their products. They sell the benefits of their system as:

The budgeting process can be complex. Using tools designed for the job not only makes the process easier and quicker, but it also reduces the risk of errors and oversights. Access Education Budgets is a powerful budget planning tool used by 1 in 3 schools and half of all academies.

The easy-to-use system allows you to:

- Plan and monitor your budget
- Create forecasts for up to five years
- Model the impact of changes
- Quickly produce comprehensive reports

By integrating a curriculum and staffing resource planning tool like Access Education Curriculum, you can also quickly understand the financial viability of your staffing structure and curriculum in the short, medium and long-term.

## Conclusions

The majority of schools would like to see a new tool in place to replace the existing budget tool and would like that tool to be integrated centrally with the finance service.

Most schools were noncommittal about paying extra for any replacement tool, with more clarity around cost: benefits being required.

Interestingly, most schools would like to be part of the pilot, which shows a willingness to be early adopters.

Both systems reviewed would benefit the schools in North Tyneside. Despite a number of schools already approaching SBS and signing up to their system, the way forward would be to carry out a tendering process using previously selected criteria and seeing which tool was successful.