

Meeting: North Tyneside Schools Forum **Date:** Wednesday 20 March 2024
12:30 – 14:30

Location: The meeting will be held virtually and will be live streamed at the following link:
<https://www.youtube.com/watch?v=j2sO4FwLJ6I>

Agenda

Ref.	Item	Lead
1	Welcome and Apologies	Chair
2	Attendance Register / Membership <i>Verbal Update</i>	CP
3	Minutes of the last meeting <i>Circulated - Pages 5-19</i>	Chair
4	Matters Arising (not covered on the agenda) <i>Verbal Update</i>	Chair
5	Declarations of Interest	Chair
6	School Construction Issues <i>Verbal Update</i>	JR
7	Schools Finance update <i>Circulated - Pages 21-25</i>	JC
8	Consideration of Special Leave for 24/25 Financial Year <i>Presentation</i>	CP
9	Any Other Business	All
10	Date and Time of Next Meeting: Wednesday 10 July 2024 at 12:30 via Microsoft Teams	

North Tyneside Schools Forum Member Roles & Voting

							<i>last updated September 2019</i>	
de-delegation Primary	de-delegation Secondary	scheme for financing schools	consultation on funding formula	General Duties	Retained Duties	all other matters		
1	2	3	4	5	6	7		
Voting							Phase	Role
School Members								
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
Other School Members Non Locality Based								
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
Non Schools Members Non Locality Based								
		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

Timetable & Forward Plan 2023/24

Date	Activity	Responsible
21 September 2023	<u>Schools Forum Meeting</u> 1. To include appointment of Chair and Vice Chair 2. Review of the Constitution and supporting documents 3. Schools Finance Update 4. Reports from Services for 24/25 Financial Year Proposal	Schools Forum
5 October 2023	School Census Day	DFE/ESFA
9 October 2023	Application for submitting disapplication requests	Local Authority
8 November 2023	<u>Schools Forum Meeting</u> 1. Schools Finance Update 2. National Funding Formula and Outcome of Consultation 3. School Forum Constitution and Action Plan Review 4. Consideration of Special Leave for 23/24 Financial Year	Schools Forum
17 November 2023	Deadline for submitting disapplication requests	Local Authority
17 November 2023	Deadline for submitting disapplication requests if wish to move more than 0.5% of the Schools block	Local Authority
1 November 2023	School census database closed. Checks and validation commences	DFE/ESFA
17 January 2024	<u>Schools Forum Meeting</u> 1. Schools Finance Update 2. Consideration of Special Leave for 23/24 Financial Year 3. Scheme for Financing Schools Update 4. Safety Valve Update	Schools Forum
TBC	Submit final proposals re APT	Local Authority
20 January 2024	Deadline for submissions of final 2023 to 2024 APT to ESFA	Local Authority
5 February 2024	Cabinet Meeting for approval of 23/24 Schools Funding	Local Authority
19 February 2024	Cabinet Meeting	Local Authority
26 February 2024	Deadline for confirmation of Schools budget shares to mainstream maintained schools.	DFE/ESFA
20 March 2024	<u>Schools Forum Meeting</u> 1. Schools Finance Update 2. Schools In Financial Difficulty	Schools Forum
25 March 2024	Cabinet Meeting	Local Authority
10 July 2024	<u>Schools Forum Meeting</u> 1. Reports from Services for 25/26 Financial Year Proposal 2. Schools Finance Update 3. Responsibilities for Redundancy & Early Retirement Costs – Annual Update	Schools Forum

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Item 3 Minutes

Meeting Schools Forum

Date Wednesday, 17 January 2024

Location Via Microsoft Teams

✓ Present
D Deputy
A Apologies
O Absent

Present

Name	Organisation	Representing	09.11.23	17.01.24
Angi Gibson	Hadrian Park Primary School	Primary	✓	N/A
Anthony Gollings	St Thomas More	RC Diocese	O	✓
Claire Withers	Fordley Primary School	Primary	✓	✓
Colette Bland	St Mary's RC Primary School (NS)	Academy	✓	✓
Colleen Ward	Coquet Park First School	Primary	✓	✓
David Watson	St Thomas More	Academy	✓	✓
Diane Turner	Tyne Coast	16-19 Provider	O	O
Finn Wilcock	Southridge First School	Primary	✓	✓
Gavin Storey	Cullercoats Primary School	Primary	✓	A
Gillian Tawes	Shiremoor Primary School	Governor - Primary	N/A	✓
Jane Lowe	Monkseaton Middle School	Governor - Secondary	✓	✓
Joanne Thompson	Holystone Out of School	Early Years PVI	✓	✓
John Croft	Sir James Knott	Nursery	✓	✓
John Newport	Marden Bridge Middle School	Middle	✓	✓
John Ord	Greenfields Primary School	Governor - Primary	✓	✓
Karen Croskery	North Tyneside Student Support Service	PRU	O	✓
Kelly Holbrook	Longbenton High School	Secondary	✓	✓
Kerry Lillico	Grasmere Academy	Academy	A	✓
Laura Baggett	Monkhouse Primary School	Primary	D (Kate Byrne)	✓
Lesley Griffin	Wellfield Middle School	Governor - Primary	✓	✓
Louise Bradford	C of E Diocese	C of E Diocese	✓	✓
Matt Snape	Marden High School	Secondary	✓	✓
Paul Johnson	Churchill Community College	Secondary	✓	✓
Peter Gannon	Silverdale School	Special	✓	✓
Phil Kemp	Trade Unions	Trade Unions	D (Candida Mellor)	✓
Philip Sanderson	Kings Priory	Academy	✓	✓
Rob Harker	Carville Primary Diocese	Primary	✓	✓
Stephen Baines	Holystone Primary Diocese	Primary	✓	O
Steve Wilson	Whitley Bay High School	High	✓	✓
In Attendance:				
Mark Longstaff	Director of Commissioning & Asset Management	NTC	✓	N/A

Julie Firth	Director of Children's Services	NTC	✓	✓
Jon Ritchie	Director of Resources	NTC	✓	A
Andrew Brown	Principle Accountant, Finance	NTC	A	✓
Christina Ponting	Senior Manager – Schools HR	NTC	✓	✓
David Mason	Head of Finance – Deputy S151 Officer	NTC	✓	✓
Diane Thompson	Senior Accountant – Schools Finance	NTC	✓	✓
Jane Cross	Senior Business Partner, Finance	NTC	✓	✓
Ian Wilkinson	Strategic Lead, Education and Inclusion Review	NTC	A	✓
Lisa Cook	Assistant Director, Education and Inclusion	NTC	✓	✓
Mark Mirfin	Assistant Director, Commissioning, Partnerships and Transformation	NTC	✓	✓
Mark Taylor	Head of Service, Children and Families Commissioning	NTC	N/A	✓
Mary Nergaard	Project Support Officer	NTC	✓	✓

Minutes of Meeting

Ref	Item	Action
1.	Welcome and Apologies	
	<p>The Chair welcomed everyone to the meeting and issued a reminder that the meeting is live streamed to the public on the Authority's YouTube Channel.</p> <p>A reminder of roles and responsibilities for Forum Members was provided.</p> <p>See table above for apologies.</p>	
2.	Attendance Register / Membership	
	<p>Attendance:</p> <ul style="list-style-type: none"> See table above. <p>Membership:</p> <ul style="list-style-type: none"> CP welcomed Gillian Tawes to Schools Forum as a new Governor Representative (Primary) Angi Gibson has stepped down as a Primary Representative on Schools Forum due to academisation. Schools Forum thanked Angi for her contribution and support whilst she had been a member of forum. CP is working with the Wallsend locality to identify a new Primary Representative. 	
2a	Membership Review / Academisation	
	CP talked through the report. Main points to know as follows:	

- A reminder was provided of how the Schools Forum membership is formulated.
- When schools convert to an Academy this can have an impact membership of Schools Forum due the numbers of pupils moving from one school type to another.
- The membership was last reviewed in November 2021 when a number of Roman Catholic Schools converted to an Academy which resulted in one additional Academy representative being added to the membership.
- A reminder of the current membership was provided.
- The conversion of 5 further schools has resulted in 2164 pupils now being in an Academy school with one further conversion planned for March 2024.
- There are now 17 Academy schools in North Tyneside, an increase from 13.
- It is therefore proposed that Schools Forum increases its overall membership numbers by 2 by taking the Academy representative roles from 4 to 6.
- Further detail on pupil numbers is provided within the report.
- If Schools Forum members agree with the recommendation, the membership will be updated, and the new Academy members would be expected to join School Forum with immediate effect and attend from the next meeting in March 2024.
- It was noted that the Academy schools should determine who their representatives will be. New members will be offered support in their role with an Induction/Update session, in line with support offered to all Schools Forum members.
- The membership of Schools Forum will be kept under review to ensure that roles on Schools Forum remain representative of the categories/types of School operating within the North Tyneside Council area and in accordance with the ESFA Good Practice Guidance for Schools Forums.
- LB queried if this would mean a reduction in Maintained School representatives. CP noted that this would not happen at this stage, but this is something that may have to be considered as more schools convert to an Academy in the future.

Recommendations

Schools Forum was asked to:

- Note the content of this report;

Noted

- Consider the proposal noted and to reach agreement on the

	<p>recommendation of increasing the 'Other School Members – Not locality based' by 2 to accommodate the addition of new Academy representative roles onto Schools Forum;</p> <p>Agreed</p> <ul style="list-style-type: none"> Nominate an Academies Schools Forum member to take the lead on selecting the new members and to confirm once they have been appointed. <p>To be determined by the Academy Schools</p>	
3.	Minutes of the last meeting	
	Minutes agreed as an accurate record of the meeting.	
4.	Matters Arising	
	<p>Page 11, Item 7a – Schools Finance Update - Funding Distribution and Finance Update:</p> <ul style="list-style-type: none"> Additional funding for Schools in Financial Difficult was considered at a meeting of the Finance Sub-Group and an update will be provided under Item 7 of the agenda. <p>Page 12, Item 7b – National Funding Formula and Outcome of Consultation:</p> <ul style="list-style-type: none"> The factors that should be used to distribute any surplus after delivering MFG were discussed at the Finance Sub-Group and an update will be provided under Item 7 of the agenda. <p>Page 17, Item 7b – National Funding Formula and Outcome of Consultation:</p> <ul style="list-style-type: none"> As above. 	
5.	Declaration of Interest	
	None declared.	
6.	Council Financial Position - Update	David Mason
	<p>DM talked through the presentation on screen. Main points to note as follows:</p> <ul style="list-style-type: none"> Overview of the budget process was provided. Regular updates are provided to Cabinet throughout the year to monitor the budget. The financial challenges being faced in Local Government were discussed and it was noted that several Local Authorities have now declared a Section 114 notice, meaning that they have been unable to balance the budget. Overview of the key challenges was provided. 	

- A reminder of the sources of funding was provided showing that 2/3 of the Authority's income currently comes from Council Tax which was previously only around 40% 10 years ago.
- It was noted that whilst the source of funding has changes, there has been little movement in the net budget in the last 10 years.
- Overview of how the Authority spends each £1 was provided.
- Overview of the in-year position was provided. Projected overspend is approximately £9.6m. Overview of the reasons for the overspend was provided along with an overview of the mitigations.
- Overview of the Budget Development process was provided.
- Driven by the priorities set out in the Our North Tyneside Plan.
- Clear Financial Strategy underpins the medium-term financial planning.
- Budget sets out to ensure support for vulnerable members of the community, sustained investment in all parts of the borough, effective use of external funding.
- Approach identifies key pressures and proposes solutions using with clear projects and clear direction from Cabinet.
- Budget Study Group scrutinises the proposals.
- Overview of the budget and MTFP approach was provided.
- The three main elements are:
 - Understanding performance data, and key risks, reflecting in-year monitoring trends and ensuring forecasts are realistic;
 - Identifying key projects with a focus on key pressure and developing long term plans; and
 - Challenging assumptions by benchmarking to others such as neighbouring Authorities and using latest available information.
- Overview of the 13 projects under the Medium-Term Financial Plan priorities was provided.
- Overview of the budget pressures was provided along with the key elements of the budget proposals to mitigate these pressures such as proposed savings, council tax increases and expected funding. Overview of the remaining funding gap was provided.
- Overview of the forecast pressures over the next 4 years was provided.
- Update on the investment plan was provided.

	<ul style="list-style-type: none"> • Overview of the Housing Revenue Account (HRA) was provided. • Overview of the next steps was provided. • Initial budget proposals were presented to Cabinet in November which included a gap of £3.667m. • Budget engagement continues to 21 January. • Cabinet will consider the results of the consultations and updated budget proposals on 29 January 2024. 	
7.	Schools Finance Update	Jane Cross
7a & 7b	National Funding Formula & De-Delegation including Centrally Retained	
	<p>JC talked through the presentation on screen. Main points to note as follows:</p> <ul style="list-style-type: none"> • 2024/25 Funding Allocations <ul style="list-style-type: none"> ○ The Schools Block 2024/25 allocation was shown on screen which also showed a comparison with prior years as outlined in table 1 of the report. ○ A reminder that the October 2023 Census was used for the allocations for the Dedicated Schools Grant (DSG) in 2024/24. ○ Forum was reminded that the Local Funding Formula in North Tyneside continues to be in line with the National Funding Formula as agreed by Schools Forum in November following consultation. ○ A reminder of the requirements to the Minimum Funding Guarantee (MFG) was provided. ○ As in previous years the Authority is proposing to deduct £0.250m from the Schools block to fund falling rolls. In addition, the Authority is proposing to deduct £0.250m to support growth funding. ○ The total funding available to distribute to schools is £157.170m. ○ The Authority Proforma Tool (APT) will be finalised and submitted to the DfE for the 22 January 2024 deadline. ○ Forum voted against a 0.48% block transfer from the Schools block to the High Needs block. It was noted that the Authority have since submitted a disapplication request to the Department for Education (DfE) and are awaiting the outcome of that request. ○ The Authority will continue to work with the High Needs Sub-Group to consider alternatives if the disapplication request 	

is not agreed.

- If the disapplication request is approved, the authority will work with Schools Forum Finance Sub-Group to agree how the reduction will be applied through the Authority Proforma Tool (APT).
- **High Needs Block**
 - Allocation of £34.970m which includes funding previously included as separate grants for pay award and pension increases, as in 2023/24.
 - In-year pressure of £2.848m. A breakdown of the in-year pressure was shown on screen as outline in Table 2 of the report. However, the Authority remains confident that the High Needs block will reach a positive in year balance by the end of the programme (year end 2027/28).
 - The Authority submitted the 2023/24 third and final monitoring report against the DSG Management Plan on 15th December 2023 and the schools block transfer not being approved by Schools Forum was flagged as a significant risk.
- **Early Years**
 - Proposed Early Years Funding Rates were shown on screen as outlined in Table 4 of the report.
 - JC confirmed that the funding rates have now been agreed.
- **2023/24 CSSB Funding Allocations**
 - Overview of the 2024/25 CSSB funding allocations for North Tyneside was shown on screen as outlined in Table 5 of the report.
 - A reminder of the decreases in the allocations was provided. The net reduction in funding of £0.058m is identified in this table.
 - The proposed allocations for services provided via CSSB were shown on screen as outlined in table 6 of the report with the proposed decreases being from School Support Services £0.038m, and Education Improvement Partnership £0.020m.
- **De-Delegation including Centrally Funded**
 - The list of proposals for de-delegations for 2024/25 was shown on screen as outlined in table 7 of the report. Overview was provided.

Recommendations

Schools Forum was asked to:

	<ul style="list-style-type: none"> • Note the update on the allocations for 2024/25 for each of the four funding blocks and the proposals for the distribution of funding. Noted • Note the changes to the Schools block funding and the impact of the changes following 100% movement to the NFF. Noted • Note the pressure in the High Needs block, including the potential impact if the disapplication request to DfE is not approved. Noted • Note the changes to Early Years funding allocations proposed for 2024/25 and that the funding formula will be shared with the sector prior to implementation. Noted. • Approve the services funded under CSSB. Approved • Approve the de-delegated items rate per pupil. Approved except for line 5 of the table relating to the Special Leave SLA which was deferred to Item 8 	
7c	Budget Monitoring & School Deficits	
	<p>JC talked through the presentation on screen. Main points to note as follows:</p> <ul style="list-style-type: none"> • Budget Monitoring <ul style="list-style-type: none"> ○ Forum was reminded that the overall level of school balances at the end of March 2023 was a deficit of £0.382m. ○ The position at budget monitoring one was shown on screen as outlined in Table 8 of the report. ○ Slight improvement of £0.112m against 2023/24 budgeted deficit with schools now projecting year end balances of £8.211m deficit. ○ Schools Forum approved schools in financial difficulty funding of £0.419m at its meeting on 9th November 2023. This funding is not yet reflected in the individual schools' budget monitoring position. • Additional funding to support maintained schools in financial difficulty <ul style="list-style-type: none"> ○ Forum was reminded that the Authority was also allocated £1.868m by the Department for Education (DfE) in 2023/24 to support maintained schools in financial difficulty. ○ Schools Forum Finance Sub-group met on 21st November 	

2023 to discuss proposals to allocate this funding as requested by Schools Forum.

- It was agreed the allocation would be based on school balances as at 31st March 2024 and that all of the funding will be allocated against 2023/24 deficit schools.
- Sub-group also discussed establishing criteria for the allocations. Options will be modelled and shared with the Sub-group once the 2023/24 year-end balances have been confirmed, but before the allocations are finalised.
- Finance Sub-Group also agreed that the balance of the remaining Schools in Financial Difficulty (Headroom) funding £0.159m should continue to be allocated to support as many schools out of deficit within the financial year as possible.
- Once the two additional funding streams are applied to the schools' deficits, an adjusted year end deficit balance of £5.924m is projected.
- **School Deficits 2023/24**
 - There are now 21 schools identified with expected deficits in 2023/24 following budget monitoring one submissions, with a total deficit value of £15.572m. The position of individual schools was shown on screen as outlined in Table 9 of the report.
 - The chair thanked members of the Schools Forum Sub-Group for the work carried out in relation to the Schools in Deficit and the Schools in Financial Difficulty Funding.
 - DW noted that there are still significant pressures on the schools' block overall and asked that members also note the pressures on the schools block as well as the potential impact if the 0.48% transfer is made following the disapplication request.
 - SW queried what makes a school go into structural deficit. JC noted that this would be a school that can't set a balanced position within the 3 year period as stated in the current Scheme for Financing Schools.
 - CP noted that historically, this was a 5 year window but this was reduced to 3 years the when the Scheme for Financing Schools was updated.
 - The chair asked for the additional recommendations raised by DW added to the Finance Report.
 - **ACTION: Finance report to be updated to include the 2**

	<p style="text-align: center;">additional recommendations.</p> <p>Recommendations</p> <p>Schools Forum were asked to:</p> <ul style="list-style-type: none"> • Note the proposal for the allocation of the additional 2023/24 Schools in Financial Difficulty Funding. Noted • Note the growing pressure on the Schools Block. Noted • Note the potential impact if the 0.48% transfer is made following the disapplication request. Noted 	
8.	<p>Consideration of Special Leave for 2024/25</p> <p style="text-align: right;">Christina Ponting</p>	
	<p>CP talked through the report. Main points to note as follows:</p> <ul style="list-style-type: none"> • Schools Forum were reminded of the detail on how the SLA operates. Regular updates are provided to Schools Forum on cost/claims profile and refund levels. • A reminder of what the SLA provides for was provided as follows: <ul style="list-style-type: none"> a) Part 1 – absence of teaching staff on Maternity, Adoption, Paternity, Shared Parental Leave and Jury Service, (MAPS-J) where those employers chose to be part of this SLA. b) Part 2 – reimbursement to the home/ host employer where staff are released to undertake trade union duties outside of the home/ host school (TUFT) – including teaching, leadership and support. • SLA operates April to March and the per-pupil rate is the same for all schools. • Forum was reminded that an agreement was made for the rate to be reviewed annually to ensure that the rate considers inflation, employment cost pressures, membership levels and whether the SLA should continue. • Not all schools buy into part 1 but there is a 100% buy in to part 2. • Claims are only refunded at year end and it's a self-funding SLA. • Overview of the current rate paid was provided. • Part 2 also accommodates a central recharge to the Authority. • Charging is based on pupil numbers from Reception to Year 11. • At the last review in 2023/24 an increase of 6% was made based on an estimate of the pending pay award increase. • The pay award worked out at approximately 6.5%, therefore the increase in the per pupil rate did not cover the total increase in pay. 	

- Maternity continues to account for the majority of claims for Part 1 and the vast majority of individuals consistently claim the entire paid leave element.
- Historically, there is usually a 3 year pattern with 1 peak year. The peak year in this cycle was last year (2022/23), however, this year, the rate is only £6000 less than the previous low years at the same time in the year/ year-to-date analysis.
- Overview of the average claims was provided showing the average cost per claim has increased. It was also noted that based on the average age of the claimant (33), these claims represent the higher end of the pay spine.
- 79% of schools pay into the Part 1 and the vast majority have made a claim.
- Part 2 takes precedence in terms of the SLA refunds, therefore, Part 2 claims take priority and are paid first as agreed by Schools Forum.
- Teachers starting salary became £30k from September 2023.
- Support staff overall pay, and grading will need a review in the future to accommodate the impact of living wage and competitiveness.
- A reminder that the SLA needs to be self-funding, i.e., all costs must come directly from the SLA.
- A proposal was put forward for the SLA to be split into 2 separate SLAs as currently Part 1 is subsidising Part 2.
- The Schools HR Team administer the SLA free of charge for both parts currently, however, this is no longer sustainable for 2024/25, therefore, the proposal for 2024/25 will need to include a fee for delivering this service.
- Schools Forum are asked to:
 1. Decide if they want the SLA to continue, in one or both parts.
 2. Accept that the SLA will be separated into two separate SLAs.
 3. Accept that the increase may have to be higher than in previous years. Estimate was provided.
 4. Determine what the per pupil reference point needs to be, i.e., should it continue to be Reception to Year 11 or does this need to be extended to include all pupils.
 5. Once agreed, consider what the per pupil/unit rate needs to be.

Discussion followed around:

- The chair noted that it is difficult to answer question 1 without

knowing the answer to Questions 3, 4 and 5.

- MS asked if Part 2 would still be a 100% refund.
- CP noted that the rate would have to be set accordingly to ensure that it covers the cost of the SLA.
- DW asked if other Local Authorities operate similar processes.
- CP noted that some Local Authorities cover days, where some cover a set amount of money.
- DW asked if any Local Authority's don't have an SLA for Part 2.
- CP noted that she is not aware of any Local Authority that doesn't have an arrangement of some kind for Part 2 and in most cases the Local Authority would oversee the process. CP reminded Forum that schools have recognition agreements and that if they wanted to come out of that they would have to enter into negotiations with the Trade Unions.
- CP clarified that Part 2 will need to continue in some form for all schools.
- The Chair noted that Part 2 will be required, however, the key decision is at what rate and what that would provide for, as well as whether Schools Forum wanted Part 1 to also continue as a separate SLA with its own separate per pupil rate.
- The Chair noted that further information would be needed before a decision can be made therefore a further report will be brought to Schools Forum in March.
- CP proposed that the allocations are made at the current rate on the basis that both parts of the SLA will continue to operate, in the interim, then adjustments can be made following the decision in March. It was proposed that the future proposals are modelled and further discussed at a Schools Finance Sub-Group.
- LB queried the membership of the sub-group.
- CP confirmed that the members are current PG, MS, GS, SW, JN, PS and DW.
- LB, KH and CW had also indicated that they would like to join the Finance Sub-Group.
- **ACTION: CP to arrange a meeting Finance Sub-Group meeting in advance of the next Schools Forum in March 2024.**

CP

Recommendations

Schools Forum were asked to:

- Note the contents of this report.

Noted

- Decide if, and how the SLA will operate for the 24/25 SLA year?

	<p>Deferred. Further report to come to Schools Forum in March.</p> <ul style="list-style-type: none"> • If the SLA is to continue what % increase is to be applied? <p>Deferred. Further report to come to Schools Forum in March.</p> <p>Agreed that the allocations should remain at the current rate until the new proposals are brought to Schools Forum in March.</p>	
9.	Scheme for Financing Schools	
	<p>AB talked through the report. Main points to note as follows:</p> <ul style="list-style-type: none"> • Draft updated Scheme for Financing Schools circulated in advance of the meeting. • Based on statutory guidance published by the DfE which Local Authorities must take into account when schemes are revised. • There are no major changes to the Scheme for Financing Schools since the version which was approved by Schools Forum in July 2021. However, there are some minor revisions, deletions and minor updates to bring the scheme up to date. • An overview of the changes is provided within the report. <p>Recommendations</p> <p>Schools Forum were asked to:</p> <ul style="list-style-type: none"> • Approve the report and adopt the proposed draft of the Scheme for Financing Schools as shown in Appendix A: Proposed Draft of Scheme for Financing Schools. <p>Approved</p>	
10.	Safety Valve Intervention Programme	Mark Mirfin
	<p>MM talked through the presentation on screen. Main points to note as follows:</p> <ul style="list-style-type: none"> • A copy of the Term 3 Monitoring was circulated to Forum Members for their information. • Overview of the 5 key areas covered in the report was provided as follows: • Is the Authority on track? <ul style="list-style-type: none"> ○ The DSG Management Plan showed a forecast year end pressure of £10.474m. However, in the latest return that forecast is currently £10.490, which is slightly off track by £0.016m. ○ Pressures relate primarily to spend on maintained special school places; an overview was provided on the number of maintained special school places commissioned, which is higher than forecast in the DSG management plan. Although unfilled ARP places are reducing, the consequence 	

of those that are unfilled often requires of the Authority to commission special school provision.

- The Authority remains confident that a positive in year balance on the High Needs Block will be achieved by the end of the programme (year-end 2027/28) subject to the resolution of the 0.5% block transfer for 2024/25.
- **Progress made so far:**
 - MM provided a high level overview of key strategic priorities set out in the DSG management plan.
 - Nikki Herron is leading on the co-production of the Authority's graduated approach; aiming for an April/May launch.
 - Education North Tyneside are leading on the Whole School SEND Audits; positive feedback has been received and the team are now looking at how that learning can be shared across schools.
 - Early Years Inclusion Service will be launched April/May 2024; 11 new posts to be advertised this month.
 - Development of ARPs; proposals to be presented to the SEND Board this month followed by a further report on the plans for ARPs to be presented to the Strategic Education and Inclusion Board (SEIB) in March 2024.
 - Review of 5 Commissioned Services has commenced.
 - SEND Preparation for Adulthood team has now launched.
 - Update was provided on Mental Health Support Teams in Schools; successful with Wave 3.
 - Work ongoing to plot a Funding for Inclusion model in schools. Started to receive applications for that funding.
 - MM noted that the work carried out so far has been a real team effort and thank all colleagues from Schools and the Local Authority for the excellent collaborative working.
- **Current risks and mitigations:**
 - 0.5% transfer has been identified as a risk. If the disapplication request is not successful, the Authority will have to enter into discussions with the DfE around what this means and look at alternative mitigations.
 - Increase in mediations and tribunals. Overview was provided. It was noted that Rebecca Eden will be taking up a new 3 day Senior Manager post leading on Quality of Practice in SEND and an advert has gone out for Rebecca's substantive post. Rebecca will have a greater focus on the

	<p>mediation and tribunals work in this new post.</p> <ul style="list-style-type: none"> ○ Closed risks include the potential delay in programme delivery and resource to deliver; and full partner engagement due the level of work that has been done as a collective to drive the work forward on the SEND Improvement Plan and Journey with in excess of 70 to 80 Head Teachers, SENDCos and wider partners. <ul style="list-style-type: none"> ● Unforeseen Difficulties: <ul style="list-style-type: none"> ○ Parental requests remain high. Previously noted as being 37%, however, some work has been carried out to interrogate the data that identified a coding error. Figure reduced to 28%, however, this is still high. ○ Sufficiency: Additional investment in capital projects. £0.050m investment in Southlands Autism Base and Beacon Hill post 16 allocation are now located on the Balliol site. ● Changes to Senior Staff: <ul style="list-style-type: none"> ○ Latest report notes: that Claire Emmerson has left the Authority, and that David Mason has been appointed as the Head of Finance; the retirement of Mark Longstaff; and that Mark Mirfin has now commenced a permanent post as the Assistant Director of Commissioning, Partnerships and Transformation. ● Next steps: <ul style="list-style-type: none"> ○ Awaiting decision on 0.48% transfer. ○ Paper being taken to SEIB on Monday to look at whether the DSG Management plan needs to be remodelled. Overview was provided. ○ Next return to the DfE is due in June 2024. 	
11.	Any Other Business	
	<ul style="list-style-type: none"> ● No matters arising. 	
12.	Date and Time of Next Meeting	
	Wednesday, 20 March 2024 at 12:30pm, via Microsoft Teams.	

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Item 7

To:	Schools Forum	Author:	Jon Ritchie, Director of Resources						
Date:	20 March 2024	Purpose of the Paper:	<table border="1"><tr><td>Information</td><td>✓</td></tr><tr><td>Consultation</td><td></td></tr><tr><td>Decision</td><td></td></tr></table>	Information	✓	Consultation		Decision	
Information	✓								
Consultation									
Decision									

Title of Briefing: Finance Update

1.0 Purpose of Paper

1.1 This paper provides an overview of the overall school's financial position following the completion of the second budget monitoring for 2023/24 which took place during October/November 2023. There is also an update on the High Needs budget position as at the end of January 2024 and an Arbor migration update. Information on the 2023/24 year-end closedown process is included in section 6.

2. Update on Schools Budgets

2.1 Initial school budget plans submitted in May 2023 projected that overall balances would be £8.323m deficit by March 2024. As previously reported to Schools Forum, the first set of monitoring for 2023/24 was completed and the projected position was total deficit balances of £8.211 as shown in table 1 below.

2.2 Most schools have now completed budget monitoring 2 and the current draft figures (projected year end variance) are shown in table 1. This shows a projected year end position of £7.548m deficit against the planned budget deficit of £8.323m. Note these figures now include the application of the £0.419m of funding approved by Schools Forum for schools in financial difficulty.

2.3 Table 1: 2023/24 Schools Budget Monitoring 1 and draft Budget Monitoring 2

Phase	2023/24 Budget Plan £m	2023/24 Projected Year end BM1 £m	2023/24 Variance BM1 £m	2023/24 DRAFT Projected Year end BM2 £m	2023/24 DRAFT Variance BM2 £m
Nursery, First & Primary	2.656	2.042	(0.614)	2.681	0.025
Middle	0.488	0.776	0.288	0.932	0,444
Secondary	(9.638)	(9.283)	0.355	(9.439)	0.199
Special / PRU	(1.829)	(1.746)	0.083	(1.721)	0.108
	(8.323)	(8.211)	0.112	(7.548)	0.776
Schools in Financial Difficulty funding approved by Schools Forum	-	0.419	0.419	-	-
DfE funding – Supporting maintained schools in financial difficulty	-	1.868	1.868	1.868	1.868
Total	(8.323)	(5.924)	2.399	(5.680)	2.643

2.4 As previously reported, the Authority has been allocated £1.868m by the Department for Education (DfE) from its funding to support schools in financial difficulty. Officers discussed the most appropriate distribution of this funding with Schools Forum finance Sub-Group and it was agreed to be applied against final 2023/24 deficit school balances.

2.5 Applying the DfE funding results in a projected £5.680m deficit for the year-end.

3. Schools block

3.1 At its meeting in November 2023, Schools Forum voted against a 0.48% block transfer from the Schools block to the High Needs block following a consultation process. The Authority, in line with the DSG Management plan, submitted a disapplication request to the DfE to request the transfer given that the transfer was included in the DSG Management plan for 4 years, from 2024/25.

- 3.2 On 18 January 2024 the Authority was informed the disapplication request had been successful. The outcome of the decision was communicated with schools the same day and Schools Forum Finance Sub-group met Local Authority Officers to agree the allocation of the reduction. It was agreed that the transfer is to be allocated on a Schools Basic Entitlement basis.
- 3.3 Forum should note that the Authority Proforma Tool (APT) was submitted to the DfE for the 22 January 2024 deadline with no block transfer included. A revised version was then submitted once the work with the sub-group had been completed.

4. High Needs Block

- 4.1 Forum will recall, the Authority submitted the 2023/24 third and final monitoring report against the DSG Management Plan on 15th December 2023 to the Department for Education (DfE) and reported that it now has a slight pressure of £0.016m against the original budget.
- 4.2 The Authority has led a significant programme of work with local area partners, and children, young people, and their parents and carers. We have made strong progress during 2023-24 and have met the conditions described in the Safety Valve Agreement. As a result, the Authority received full payment as set out in the Safety Valve Agreement, including £7.8m in 2022-23 and £1.95m in 2023-24 as shown in table 2.

4.3 Table 2: High Needs Block Year-on-Year position to 2027/28

Year	Balance B/Fwd	High Needs Expenditure	High Needs Funding	Block Transfer	Safety Valve Funding	Balance C/Fwd
2022/23	£13.511	£33.973	-£30.092	£0.000	-£7.800	£9.592
2023/24	£9.592	£36.155	-33.307	£0.000	-£1.950	£10.490
2024/25	£10.490	£36.064	-£34.614	-£0.751	-£1.950	£9.239
2025/26	£9.239	£36.566	-£35.653	-£0.766	-£1.950	£7.436
2026/27	£7.436	£37.112	-£36.722	-£0.781	-£1.950	£5.095
2027/28	£5.095	£37.429	-£37.824	-£0.797	-£3.900	£0.003

4.4 The Authority remains confident that we can reach a positive in-year balance on the High Needs Block by the year-end 2027-28. This is not to underestimate that the challenge will be a significant one, as we move into year two of the programme. The Authority, schools and partners are continuing to respond to significant demands on statutory services and rising complexity of need, as we drive forward our whole system early intervention and prevention agenda, to identify and meet the need of children and young people with SEND earlier in their journeys.

5. Arbor Migration

5.1 In July 2023 the Council was informed that ESS, the supplier of SIMS and FMS, would not allow us to host Schools databases after 31 December 2023. After consultation with the schools and listening to feedback, the Council procured Arbor.

5.2 Arbor was the chosen provider for a number of factors including:

- Arbor was the most cost-effective option to match the SIMS functionality.
- Arbor offers sophisticated in-system data analysis dashboards, without the need to purchase additional Power BI licences, e.g. headline attendance, behaviour, attainment, and demographics data presented in easy to read, graphical formats, which can then be drilled down further.
- Arbor provides a shared workspace for all school staff, giving everyone direct access to the tools and real-time information required.
- There are no additional hosting charges if schools wish to retain more than 5 academic years' data

5.3 Schools, ICT and the Schools finance team have worked incredibly hard collaborating together during the implementation and migration to the new system is almost complete.

6. 2023/24 Year-end Closedown

6.1 The Authority's Chief Finance Officer has a responsibility to close North Tyneside Council's 2023-24 statutory accounts by 31st May 2024 for audit and inspection, and to publish them by 30th September 2024.

- 6.2 As schools are part of North Tyneside Council's accounts and are included in the reported outturn position, they are required to adhere to the same timeframes, and closedown procedures. As explained in previous years, the closedown timetable is always challenging and so to assist schools to meet the deadlines we are communicating requirements earlier.
- 6.3 To meet these requirements schools are asked to prioritise this, so that all required returns will be with the finance team prior to the Easter break.
- 6.4 The year-end timetable and guidance for 2023/24 was emailed to all schools on 1st March 2024 , with the following attachments for review and completion.
1. "Schools Annual Final accounts 2023/24 Procedures and Notes of Guidance" including a timetable highlighting the critical dates we require you to adhere to relating to closedown of accounts and acknowledgement of year-end Information 2023-24.
 2. Year-end copies of the relevant creditor and debtor forms for completion
 3. CFR committed and uncommitted balances 2023-24
 4. CFR authorisation 2023/2024 form for school capital information and school revenue information (amendments)
 5. Leasing return

7. Recommendations

- 7.1 Schools Forum is asked to;
- Note the forecast position for schools after the second budget monitor for 2023/24 and the subsequent pressure in the Schools block.
 - Note the latest position for the High Needs Block as reported in December 2023; and
 - Note the information on 2023/24 year-end processes.