

xMeeting: North Tyneside Schools Forum **Date:** Wednesday 10 July 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=IN942SAGX-w>

Agenda

Ref.	Item	Lead
1	Welcome and Apologies	Chair
2	Attendance Register / Membership <i>Verbal Update</i>	CP
3	Minutes of the last meeting and Matters Arising <i>Circulated – Pages 5-12</i>	Chair
4	Declarations of Interest	Chair
5	Schools Finance Update <i>Circulated – Pages 13-22</i>	JC/AB
6	Falling Rolls and Growth Fund Proposed Allocations <i>Circulated – Pages 23-31</i>	JC
7	DfE Safety Valve Intervention Programme Update <i>Presentation</i>	MM
8	Reports from Services for 25/26 Financial Year Proposal	Chair
9	Proposed Meeting Arrangements 2024/2025 <i>Circulated – Page 32</i>	Chair
10	Any Other Business	All
<p>This is to give notice of that item 11 will be considered in private. Observers will be excluded from the meeting for the following item of business on the grounds that the report contains information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.</p>		
11	Responsibilities for Redundancy & Early Retirement Costs – Annual Update <i>Confidential Report</i>	CP
12	Date and Time of Next Meeting: Wednesday 25 September 2024 at 12:30pm 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

Meeting Schools Forum **Date** Wednesday, 15 May 2024

Location Via Microsoft Teams

✓ Present
D Deputy
A Apologies
O Absent

Present

Name	Organisation	Representing	20.03.24	15.05.24
Angi Gibson	Hadrian Park Primary School	Academy	N/A	✓
Anthony Gollings	St Thomas More	RC Diocese	✓	✓
Claire Withers	Fordley Primary School	Primary	✓	O
Colette Bland	St Mary's RC Primary School (NS)	Academy	✓	✓
Colleen Ward	Coquet Park First School	Primary	A	✓
David Watson	St Thomas More	Academy / Vice Chair	✓	✓
Diane Turner	Tyne Coast	16-19 Provider	O	D (Joanne Chadwick)
Finn Wilcock	Southridge First School	Primary	O	O
Gavin Storey	Cullercoats Primary School	Primary	A	✓
Gillian Tawes	Shiremoor Primary School	Governor - Primary	O	✓
Jane Lowe	Monkseaton Middle School	Governor - Secondary	✓	✓
Joanne Thompson	Holystone Out of School	Early Years PVI	✓	✓
Jonathan Heath	John Spence High School	Academy	N/A	✓
John Croft	Sir James Knott	Nursery	✓	A
John Newport	Marden Bridge Middle School	Middle	✓	✓
John Ord	Greenfields Primary School	Governor - Primary	✓	✓
Karen Croskery	North Tyneside Student Support Service	PRU	✓	✓
Kelly Holbrook	Longbenton High School	Secondary	✓	✓
Kerry Lillico	Grasmere Academy	Academy	A	✓
Laura Baggett	Monkhouse Primary School	Primary	✓	✓
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 / Chair	✓	A
Phil Kemp	Trade Unions	Trade Unions	✓	✓
Philip Sanderson	Kings Priory	Academy	✓	✓
Rob Harker	Carville Primary Diocese	Primary	✓	✓
Stephen Baines	Holystone Primary Diocese	Primary	✓	A
Steve Wilson	Whitley Bay High School	High	✓	A
Wayne Myers	Richardson Dees Primary	Primary	A	✓
<u>In Attendance:</u>				
Julie Firth	Director of Children's Services	NTC	✓	✓

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

Minutes of Meeting

Ref	Item	Action
1.	Welcome and Apologies	
	<ul style="list-style-type: none"> The Vice 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. A reminder of roles and responsibilities for Forum Members was provided. See table above for apologies. 	
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 noted that the two new Academy vacancies have been filled by Angi Gibson (Hadrian Park Primary School) and Jonathan Heath (John Spence Community High School). Inductions have been carried out. Terms of office have been reconfirmed for Laura Baggett and Phil Kemp. Three Terms of Office are due to end at the end of this month. CP is working with those members on either reconfirmation/ replacement to these posts. 	

3.	Minutes of the last meeting	
	<ul style="list-style-type: none"> • Minutes agreed as an accurate record of the meeting. 	
4.	Matters Arising	
	<p>Page 2, Item 2 – Membership:</p> <ul style="list-style-type: none"> • Academy reps have been appointed as noted in Item 2 above. 	
5.	Declaration of Interest	
	<ul style="list-style-type: none"> • None declared. 	
6.	Consideration of Special Leave for 2024/25 Christina Ponting	
	<p>CP talked through the presentation on screen. Main points to note as follows:</p> <ul style="list-style-type: none"> • A reminder of the decisions made at the last meeting was provided along with a reminder of the current position in relation to both Part 1 (maternity, paternity, adoption, shared parental leave and jury service) and Part 2 (Trade Union Facility Time (TUFT)). • At the last meeting of Forum, it was agreed that the reference points would change to All Pupils from 1 April 2024 (1 September 2024 for Academy Schools). • Forum also agreed to a holding position for Maintained Schools with a combined price of £30.42 (Part 1 = £24.68 and Part 2 = £5.75) and that Part 2 Would move to a cash value as opposed to a number of days. • As agreed by Schools Forum, further consultation has been carried out with four well attended presentations delivered to schools, followed by a number of follow up calls/conversations. • This was followed up with a survey to all schools that asked the following questions: <ul style="list-style-type: none"> ○ Do they want Part 1 of the SLA to continue; ○ If so, at what value; <ul style="list-style-type: none"> ▪ Held at £23.29 ▪ Increased to £24.68 ○ What value would they feel appropriate for Part 2? <ul style="list-style-type: none"> ▪ £6.52 ▪ £8.04 ▪ Other <p>Survey Results – Part 1:</p> <ul style="list-style-type: none"> • Some respondents said they did not want to be part of the SLA because they already have arrangements in place. • Others said that they wanted the SLA to continue for the 	

following reasons:

- Scope / range of cover.
- Limited conditions / limits / exclusions.
- Value for money / cost.
- Ease of use.
- Refund levels / no capping.
- 77% of respondents who said that they wanted the SLA to remain in place noted that the price should be increased to £24.68 (current value plus 6%).

Survey Results – Part 2:

- Schools Forum were reminded that there is a requirement for School Employers to have arrangements in place for trade union facility time and that this is confirmed within the terms of employment and/or as part of the collective agreements put in place as part of a TUPE process.
- Schools Forum were also reminded that they are not representing employers within this Forum.
- A reminder of the price options was provided as follows:
 - a. Lift rate to £6.52 which equates to a 20% increase and provides a spending level that would reduce the existing TU funded time. It was noted that TUs would have difficulty with this as it would change the time that they have available to support schools and their members.
 - b. Lift rate to £8.04 which equates to 45% increase and would accommodate the existing TU time allocated, however, this would not allow for any cost of living / inflationary increases.
- It was noted that both options would require TUs to review existing arrangements and require a review of the central recharge.
- Respondents noted that they value the relationship with TU colleagues and recognise the importance of the arrangements. They also noted that any influencing factors involved in their decision were about affordability not value.
- It was acknowledged that any reduction in the funding would have an impact on availability of TU representatives and could affect some of the ways of how they work with schools.
- Schools noted that the change in reference points/increase in pupil numbers will result in increased costs for all schools therefore increasing the costs on two levels did impact their decision.

- 67% voted to increase the rate to £6.52 (20%).
- 30% voted to increase the rate to £8.04 (45%).
- 3% voted for other which was to hold the rate at the 23/24 rate.
- Breakdown in terms of the response rates by sector and Forum Representation was provided.

Consultation Results Summary:

- 83.34% of schools received a presentation.
- Only 42.31% of schools responded to the survey.
 - 30.44% of Academy schools responded to the survey.
 - 47.28% of maintained schools responded to the survey.
- Part 1: 71.43% of Academy Schools and 76.93% of maintained schools voted in favour of an increase to £24.68.
- Preferred outcome: SLA to remain in place at the increased rate of £24.68.
- Part 2: 71.43% of Academy Schools and 65.39% of maintained schools voted in favour of a 20% increase (£6.52).
- Preferred outcome: SLA to remain in place at the increased rate of £6.52 with acceptance that the TUFT will reduce and acknowledgment of the potential impact at school level.

Additional comments – Part 1:

- It was noted that some maintained schools said that if they had a choice to buy into part 1, that they would probably choose not to, stating that it was not financially viable for them and/or they already have other arrangements in place.
- Some maintained schools said that if the SLA did not exist for Part 1, that they would not be able to get cover from the market as they could not afford the premiums available in the market or the percentage refund outweighs the money paid in.
- The SLA will come up for review again in January 2025. Forum may need to lead on a further review in the future to decide whether the SLA needs to remain or cease. If it is to remain, consideration will need to be given as to whether the de-delegation route continues to be the preferred option. If this were the case, Forum would also need to consider the lead in time needed to allow enough time for any necessary work/due diligence to be carried out and/or for schools to have enough time to go to the market for an alternative.
- It was also noted that the pay award for September 2024 is still unknown.

Additional comments – Part 2:

- SLA funded route needs to remain in place as to remove this would be in breach of the collective and TUPE agreements and/ or terms of employment.
- Formal recognition arrangements remain in place, and these will continue to be reviewed annually.
- Schools Forum were reminded that they are not the employer representatives in Schools and that TU may choose (on an individual or a collective level) to engage directly with employers on expectations as a result of reduction in paid TUFT.
- Existing arrangements will have to remain in place until 31 August 2024 to support those schools who were releasing their staff to undertake TUFT duties.
- Further meetings will need to be arranged with TUs to look at funding available and thereafter TUs themselves would need to be able to reach an agreement on allocation.
- Again, the pay Award for September 2024 is still unknown.

Decision

- As this is currently a de-delegated item, Schools Forum make the final decision for the SLA overall and how this then applies specifically to maintained schools.
- Views and opinions have been sought from all schools as the SLA is open to all schools but not all Schools Forum Representatives are eligible to vote on the decision as this is a de-delegated item. A reminder of who was eligible to vote was provided.
- If Schools Forum chose to go against the outcome of the consultation, they will need to provide the rationale.

Discussion followed around:

- SW noted that School budgets are exceptionally tight and expressed concerns about this continuing to be a de-delegated item in the future.
- Option for wider consultation to been carried out to review Part 1 of the SLA from 25/26 was discussed.
- A reminder was provided that sufficient notice would need to be given to schools of any changes to ensure that they have enough time to put alternative arrangements in place.
- DW proposed that further consultation in relation to Part 1 is carried out in the Autumn Term.
- **ACTION: CP to work with the Schools Finance team to include questions around the future of Part 1 of the SLA in the budget consultation.**

CP

Recommendations

Schools Forum were asked to:

- Agree for Part 1 of the SLA to remain in place for 24/25 financial year.

Agreed

- If yes, at what value £23.29 or £24.68?

Agreed at £24.68

- Consideration for 25/26 was discussed. Forum should note feedback from schools regarding scope of choice and that the existing SLA funding ends 31/03/2025.

Noted. Forum agreed for wider consultation to be carried out with schools in the Autumn with a view to making a decision in January 2025.

- Agree at what value Part 2 of SLA is to remain in place, £6.52 or £8.04?

Agreed at £6.52

- Consideration for 24/25 and 25/26. Forum should that existing arrangements remain in place up to 31/08/2024, existing SLA funding ends 31/03/2025).

Noted. Forum agreed for CP to continue to liaise with TU colleagues to agree what the SLA looks like for the future.

CP

Further Reflections on the Consultation:

- It was noted that engagement levels were high but responses to the consultation were lower than expected which follows historic patterns.
- The engagement has found that there is a mixed understanding of the role of Schools Forum.
- Membership of Schools Forum is shared with Schools, and it is Schools themselves who nominate their representatives.
- Forum Representatives' role is to represent their locality, not their own school and they should discuss all Schools Forum matters within their locality/network meetings.
- All Schools Forum Members receive an induction.
- Awareness raising has been carried out in the past with all schools and is carried out annually with Governors. However, there are a lot of new Head Teachers.
- It was noted that lack of engagement has been discussed before in relation to other consultation exercises and that the approach and the engagement level overall could be improved.

	<ul style="list-style-type: none"> • Proposals to try and increase engagement were outlined as follows: <ul style="list-style-type: none"> ○ All members to be offered an annual induction/refresher (either in persons or via Teams). ○ All Head Teachers are also to be offered an annual update on the role of Schools Forum. ○ Live stream reminders are to be sent to all Head Teachers to invite/encourage them to watch the live stream. ○ Standing item to be added to the agenda for the online Head Teacher Briefings. ○ The Schools Forum Toolkit is to be updated for September 2024 to reflect the actions outlined above. ○ A wider piece of work will be carried out to look at how Schools Forum and the Authority can consult and engage better with schools and remove any barriers to participation. • DW thanked CP, the Schools HR Team, the Schools Finance Team, and the Schools Forum Finance Sub-Group for pulling together the information for schools and carrying out the engagement. • DW also noted his disappointment that despite the significant work carried out and the high level of engagement, the response to the consultation was still low. • DW reiterated that in all the discussions that he has had with Schools regarding Part 2 of the SLA, any issues have been around affordability and not a reflection of the value of the arrangements and relationships with TU colleagues. 	
7.	Any Other Business	
	<ul style="list-style-type: none"> • No matters arising. 	
7	Date and Time of Next Meeting	
	Wednesday, 10 July at 12:30pm, via Microsoft Teams.	

Item 5

To: Schools Forum
Date: 10 July 2024

Author:
**Purpose of
the Paper:**

Jane Cross	
Information	✓
Consultation	
Decision	

Title of Briefing: Finance Update

1. Purpose of Paper

- 1.1. This paper provides an outline of the overall school's provisional outturn position for 2023/24 pending the outcome of the external audit which is due to commence in July 2024. A summary of the High Needs and Early Years outturn position is also included.
- 1.2. This paper also provides an outline of the overall school's budget plan balances for 2024/25, with details of all schools' planned balances. An update on schools with budgeted deficits is also included.
- 1.3. The paper will cover initial proposals for refinement of the National Funding Formula for 2025/26.

2. 2023/24 Schools Outturn Balances

- 2.1. Schools have concluded their 2023/24 accounts closure in line with the Local Scheme for Financing Schools and the Authority's revised year-end timetable. Collective school balances in North Tyneside maintained schools, decreased from a deficit of £0.382m at the start of the year to a closing deficit of £2.930m. This position is significantly better, by £5.226m, than the forecast at the start of the year when the outturn was expected to be an overall deficit of £8.156m. However, it is also a significant shift from the previous surplus position, and this has highlighted the risk to the Authority relating to the level of school balances and the ability of those schools with surplus balances covering the deficit balances of some schools.

2.2. The final position for schools is reported in the Authority's statutory accounts and is before any commitments, which are in a normal year around £4.5m (the full value of commitments for 2023/24 is still to be confirmed and will not be known until the end of July 2024). The reported position across 2023/24 is analysed below in Table 1 by phase:

2.3. **Table 1: Maintained School balance position against budget plan**

Phase	Outturn 2022/23 (surplus) /deficit £m	Budget Plan 2023/24 (surplus) /deficit £m	Provisional Outturn 2023/24 (surplus) /deficit £m	Actual Movement from 2022/23 £m
Nursery, First & Primary	(5.529)	(2.690)	(4.284)	1.245
Middle	(1.655)	(0.488)	(1.267)	0.388
Secondary	6.822	9.638	7.004	0.182
Special / PRU	0.744	1.696	1.476	0.732
Total	0.382	8.156	2.930	2.548

2.4. The Authority was allocated £1.868m funding during 2023/24 to support maintained schools in deficit. This was used to support schools who ended both 2022/23 and 2023/24 with a deficit balance and improved the overall outturn position, additional detail on the allocation is included in 3.4.

3. 2023/24 School Deficits

3.1. At the end of 2023/24, 19 of the 59 maintained schools had a deficit balance, pre-commitments, however most of these are marginal with the other 40 all in surplus. 6 schools academised during 2023/24, one forced academisation where the school had a deficit balance on academisation. Table 2 below shows all schools in deficit position totalling £13.061m.

3.2 The allocation of the additional £1.868m Schools in Financial Difficulty Funding was discussed with Schools Forum Finance Sub-Group and agreed as per Table 2. The sub-group considered various options but agreed that the funding should be allocated based on 2023/24 actual balances in line with the guidance, to be used specifically towards the elimination of a deficit balance, taking into account the severity of the school's position and prioritising those in greatest need.

3.3 The funding was applied proportionately to the 2023/24 deficit balances, other than for Whitehouse Primary school which academised on 31 December 2023, leaving a £0.221m deficit balance, which was funded in its entirety.

3.4 Table 2 – Provisional Outturn Schools in Deficit

School	2022/23 Outturn £m	2023/24 Provisional Outturn £m	Schools in financial difficulty funding allocation £m	2023/24 Updated Outturn £m
Southlands Special	(0.137)	0.122	-	0.122
Moorbridge	(0.073)	0.093	-	0.093
Wallsend Jubilee Primary	(0.071)	0.005	-	0.005
Woodlawn Special	(0.093)	0.003	-	0.003
Silverdale Special	0.044	0.142	(0.016)	0.126
Greenfields Primary	0.078	0.052	(0.006)	0.046
Forest Hall Primary	0.013	0.001	-	0.001
Norham High	3.984	4.344	(0.494)	3.850
Beacon Hill Special	1.232	1.512	(0.172)	1.340
Longbenton High	1.697	1.135	(0.129)	1.006
Wallsend St Peters Primary	0.092	0.464	(0.053)	0.411
Fordley Primary	0.133	0.225	(0.025)	0.200
Ivy Road Primary	0.149	0.199	(0.023)	0.176
Holystone Primary	0.133	0.111	(0.013)	0.098
Waterville Primary	0.017	0.079	(0.009)	0.070
St Bartholomews Primary	0.020	0.060	(0.007)	0.053
Whitehouse Primary	0.044	0.221	(0.221)	0.000
Monkseaton High	5.546	5.963	(0.678)	5.285
Coquet Park First	0.051	0.198	(0.022)	0.176
Total	12.859	14.929	(1.868)	13.061

4. 2023/24 Outturn Dedicated Schools Grant (DSG)

4.1 After allowing for school funding allocations, the 2023/24 DSG ring-fenced account is showing a net deficit balance of £8.340m. The 2023/24 position includes £2.660m Safety Valve Funding, £1.950m relating to 2023/24 and £0.710m funding received in advance for 2024/25. It also includes a £0.985m provision for clawback in Early Years funding. This compares to an identical deficit of £8.340m in 2022/23, despite significant net changes.

4.2 Table 3: 2023/24 DSG Provisional Outturn

Funding Block	2022/23 Balance Brought Forward £m	2023/24 In-Year Variance £m	Clawback Provision £m	Safety Valve Funding £m	2023/24 Provisional Outturn £m
Schools Block	(0.914)	0.517			(0.397)
High Needs Block	9.592	2.852		(2.660)	9.784
Early Years Block	(0.338)	(1.694)	0.985		(1.046)
Total	8.340	1.675	0.985	(2.660)	8.340

4.3 The Schools block (de-delegated) underspend of £0.397m predominantly relates to balances of schools in financial difficulty, growth and falling roles funding. The balance also includes £0.101m relating to structural schools' issues. The DSG is a ringfenced account and therefore any balance is carried forward into the next financial year.

5.0 2023/24 High Needs Block Outturn

5.1 The High Needs block 2022/23 outturn was a deficit of £9.592m and this pressure has continued in 2023/24 with a provisional in-year deficit of £2.852m, however this has been mostly off-set by £2.660m Safety Valve funding from the DfE. 2023/24 was the first year of the Authorities 5-year DSG Management Plan as part of the Safety Valve Programme. A final submission for 2023/24 was made to the DfE which showed despite a slight worsening against the plan £0.020 the Authority is still on-track to reach an in-year balance by 2027/28.

5.2 The overall pressure in the High Needs block results from additional places in special schools, out of borough placements and top up payments as outlined in Table 4 below.

5.3 Table 4: High Needs Block Provisional Outturn

	2023/24 Budget £m	2023/24 Outturn £m	2023/24 Variance £m
Special Schools and PRU	22.388	23.156	0.769
ARPS/Mainstream Top-ups/Alternative Provision	5.909	5.998	0.089
NMSS/ISP	4.461	3.763	(0.698)
Commissioned Services	3.160	3.242	0.082
Total	35.918	36.159	0.242
DSG High Needs Funding	(33.606)	(33.307)	0.300
In-Year Planned Deficit	2.312	2.852	0.542
2022/23 Balance Brought forward	10.112	9.592	(0.520)
2023/24 Safety Valve Funding	(1.950)	(1.950)	0.000
2023/24 Balance Carried Forward	10.474	10.494	0.020
2024/25 Safety Valve Income in Advance		(0.710)	
2023/24 Provisional Outturn		9.784	

5.4 The Authority's DSG Management Plan will address the in-year deficit and the Department for Education (DfE) will fund the overall deficit £19.500m over a 5-year period. At the end of financial year 2023/24 the Authority had received £9.750m. In subsequent financial years, subject to compliance with the conditions set in the Safety Valve agreement, the Authority will receive the amounts shown in Table 5 below.

5.5 Table 5: Scheduled Safety Valve Payments

Year	Additional DfE payments
2022-23	£7.800m
2023-24	£1.950m
2024-25	£1.950m
2025-26	£1.950m
2026-27	£1.950m
2027-28	£3.900m

5. Early Years Block

5.1 The Early Years block has ended the year with a cumulative surplus of £1.046m. This included a brought forward surplus of £0.338m. An adjustment to funding takes place in July each year when the DfE reviews initial funding estimates in relation to the actual numbers of pupils compared to estimates based on the January pupil census. We are estimating a clawback of £0.985m relating to 2023/24 for which provision has been made.

6. 2024/25 School Budgets Update

6.1 Schools are required to submit their 3-year rolling budget by 31 May 2024 in line with the Scheme for Financing Schools. All Schools have provided a three-year budget plan, but a couple still require final Governor approval, therefore the total 2024/25 figure below is draft. No material movement is anticipated once final Governor approved figures are received. Table 6 below shows the current movement in budget from 2023/24 to 2024/25.

6.2 Table 6: Schools three-year budget plan summary by phase

Phase	Budget Plan 2023/24 (surplus)/ deficit £m	Outturn * 2023/24 (surplus)/ deficit £m	Budget Plan 2024/25 (surplus)/ deficit £m	Budget Movement £m
Nursery/First/ Primary	(2.690)	(4.284)	(2.333)	0.357
Middle	(0.488)	(1.267)	(0.272)	0.216
Secondary	9.638	7.004	9.390	(0.248)
Special / PRU	1.696	1.476	2.922	1.226
Total	8.156	2.930	9.707	1.551

*note 23/24 outturn is pre commitments of circa £5.0m

6.3 The initial planned deficit for school balances is forecast to worsen from a £2.930m deficit outturn in 2023/24 by £6.777m planned deficit in 2024/25 resulting in planned deficit for school balances of £9.707m.

6.4 The schools finance team is continuing to work with schools to refine these budget positions and will also be supporting schools' applications for de-delegated funding held centrally. This is to mitigate the impact where schools are experiencing falling rolls, where a potential application to schools in financial difficulty could be made, or where schools are experiencing growth in rolls but there is a lag in funding. Initial applications for falling rolls and growth funding have been considered by Schools Forum Finance Sub-group and where required schools have been asked for additional information.

7. 2024/25 Deficit Schools

7.1 Some schools continue to face significant financial challenges. There are currently sixteen schools that have submitted a deficit budget plan for 2024/25, seven new schools requiring a licenced deficit agreement in 2024/25. The nine schools that continue to require support from the Authority were in deficit at the end of the 2023/24 financial year. Of these nine schools two had a structural deficit in 2023/24 which continues into 2024/25. The Authority have continued to work with the Education and Skills Funding Agency (ESFA) to secure additional support from their School Resources Management Advisors (SRMAs), support was agreed for three schools that were in deficit in 2023/24 and this work is ongoing.

7.2 Initial deficit clinics for 2024/25 are planned for July 2024. Before any adjustments identified during the upcoming challenge sessions and the allocation of falling rolls and headroom funding, the balances of these 16 deficit schools are expected to total £15.674m with individual school deficit values shown in Table 7 below.

7.3 Table 7: Schools in an expected deficit position 2024/25

Deficit School Positions 2024/25	Outturn 2023/24 £m	Budget Plan 2024/25 £m	Movement £m	Comments
Wallsend Jubilee	0.005	0.090	0.085	New
Forest Hall	0.001	0.105	0.104	
St Bartholomew's	0.053	0.121	0.068	New
Whitley Lodge	(0.055)	0.035	0.090	New
Silverdale	0.126	0.560	0.434	

Deficit School Positions 2024/25	Outturn 2023/24 £m	Budget Plan 2024/25 £m	Movement £m	Comments
Wallsend Jubilee	0.005	0.090	0.085	New
Forest Hall	0.001	0.105	0.104	
St Bartholomew's	0.053	0.121	0.068	New
Monkseaton High	5.285	5.885	0.600	Structural Deficit
Coquet Park	0.176	0.334	0.158	Structural Deficit
Holystone	0.098	0.269	0.171	
Moorbridge	0.093	0.220	0.127	New
Southlands	0.122	0.395	0.273	New
Fordley Primary	0.200	0.026	(0.174)	New
Wallsend St Peter's	0.411	0.430	0.019	
Ivy Road Primary	0.176	0.178	0.002	
Longbenton High	1.006	0.826	(0.180)	
Norham High	3.850	4.197	0.347	
Beacon Hill	1.340	2.003	0.663	
Total	12.887	15.674	2.787	

7.4 Longbenton High School ended 2022/23 with a deficit balance of £1.697m. However, they have a robust deficit recovery plan in place which they have consistently adhered to. As detailed in section 3 above, they were allocated £0.129m schools in financial difficulty funding in 2023/24 and have submitted a budget plan for 2024/25 where their cumulative deficit will reduce to £0.826m.

7.5 As in previous years, the details of schools' balances, including commitments, will be reported to the Department for Education (DfE) through the Consistent Financial Reporting (CFR) return. This return is co-ordinated on behalf of all maintained schools by the Authority and will be submitted by the deadline of 14 July 2023.

8. National Funding Formula (NFF) Consultation for 2025/26

8.1 As in previous years, the Authority will need to determine the local formula to distribute funding to mainstream schools and academies for the financial year 2025/26.

- 8.2 The formula will apply directly to maintained schools for the financial year, and for academies it will form the basis for their funding, distributed by the Education, Skills and Funding Agency, for the year starting 1 September 2025. The local formula must comply with statutory guidance, but within these confines the final decision on the formula rests with the Authority after consultation with schools and Schools Forum.
- 8.3 Previously, in consultation with Schools Forum and the Authority's maintained schools, the Authority made the decision to leave the Local Funding Formula (LFF) 100% in line with the NFF.
- 8.4 No modelling has been under-taken at this stage, but the Authority are expecting an indicative funding allocation towards the end of July. Once this allocation has been received the Authority will consider modelling potential options for capping and maximising Minimum Funding Guarantees.
- 8.5 Recommended modelling scenarios will be presented to Schools Forum in September, in advance of the formal consultation with schools during October/November 2024.

9 Recommendations

- 9.1 Schools Forum is asked to:
1. acknowledge the provisional 2023/24 outturn position on all DSG balances;
 2. acknowledge the school budget plans overall summary position;
 3. acknowledge the pressure on schools, the High Needs block and the Authority's progress in the ESFA's Safety Valve Intervention Programme; and
 4. note the plan for funding consultation for 2024/25.

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North Tyneside
Council

Item 6

Briefing Notes

To: Schools Forum

Date: 10 July 2024

Author: Jane Cross

**Purpose of
the Paper:**

Information

Consultation

Decision

✓

✓

Title of Briefing: **Falling Rolls and Growth Fund Proposed Allocations**

1. **Background**

1.1 The purpose of this report is to seek Schools Forums approval to make allocations of funding to eligible schools for the following:-

- Falling Rolls
- Growth Funding

1.2 The Authority have met with representatives from Schools Forum Finance Sub-group. The Subgroup considered the applications for funding on 11 June 2024. Whilst the subgroup has proposed the allocation of funding the final decision rests with Schools Forum.

2. **2024/25 Falling Rolls Funding**

2.1 Following an initial assessment there were three schools identified as being eligible for falling roll funding with a total potential value of £0.076m. The details of these schools and the funding identified for each is included in Table 1. The requirement in the Falling Rolls Policy stating that a school needs to be OFSTED rated 'good' or above has now been removed following DFE updated guidance, see updated policy attached at Appendix 2.

- 2.2 The total 2024/25 falling roll funding available for distribution is £0.300m, this includes £0.050m carried forward from 2023/24 and £0.250m in year allocation. As in previous years a proportion of the surplus funding will be transferred back to academies, this is estimated at £0.050m but the figure is still being finalised to include the additional schools which academised throughout 2023/24.
- 2.3 The academy transfer estimate plus the falling roll funding will be deducted from the total available funding and the estimated balance of £0.174m will then be split between £0.050m falling rolls carry forward and £0.124m (estimate) to Schools in Financial Difficulty.

2.4 **Table 1: Breakdown of Falling Rolls Eligibility**

School	£m
Whitehouse Primary	0.035
Collingwood Primary	0.025
Forest Hall Primary	0.016
Total	0.076

- 2.5 The opening balance for de-delegated funds for Schools in Financial Difficulty funding in 2024/25 was £0.393m. If Schools Forum approve the Falling Rolls applications included in table 1, the estimated balance of £0.124m will be transferred from Falling Rolls to Schools in Financial Difficulty, increasing the available funding to £0.517m. This balance will be available to fund Headroom applications submitted by schools for consideration by Schools Forum Finance Sub-Group.
- 2.6 Schools Forum Finance Sub-Group have discussed the issue of projected declining birth rate across North Tyneside and asked that Schools are briefed at a future meeting on assumptions and projections which will impact future Falling Rolls.

3. 2024/25 Growth Funding

- 3.1 The Department for Education (DfE) established a separate fund in the School Block of the DSG for growth funding. In North Tyneside this fund was not used for growth and was instead added to the remaining balances to be redistributed to all schools. When setting the 2024/25 School Block allocation, Schools Forum agreed to set aside £0.250m of the identified growth funding, however there was a £0.037m deficit carried forward from 2023/24. Therefore, the total Growth Funding available in 2024/25 is £0.213m.
- 3.2 Officers from the Authority have reviewed all schools' projected pupil numbers for Sept 2024 using the latest information available from the Admissions Team. Two schools, with a total funding of £0.132m were initially identified as being eligible for growth funding. However, the eligibility criteria specifies that schools must provide evidence that additional costs have been incurred to support structural class changes in relation to the additional pupils. The initial list of schools is included in table 2 and the funding allocations were initially considered by Schools Forum Finance Subgroup on 11 June 2024.

3.3 Table 2: Growth Funding Eligibility 2024/25

Growth Funding	£m	Eligibility
Norham High	0.068	Pending supporting evidence
Burnside	0.064	Pending supporting evidence
Total	0.132	
Total Funding Available	0.213	
2024/25 Surplus	0.081	

- 3.4 The Authority has contacted both schools to request supporting evidence and to understand the overall position, the outcome of this will be reported to Schools Forum at the next meeting in September 2024.
- 3.5 North Gosforth was not considered for growth funding despite meeting the initial criteria, this was because the growth was linked to popularity and therefore this school has been removed in line with the growth policy. Details are included in Table 3 below.

3.6 Table 3 Schools not eligible for Growth Funding 2024/25

Growth Funding	£m	Eligibility
North Gosforth	0.100	Not Eligible
Total	0.100	

4. Recommendations

4.1 Schools Forum is asked to:

1. Approve the funding allocations as set out in this report; and
2. Note the current position and plans for additional funding sources maintained by Schools Forum.

4.2 Members are reminded of who is eligible to vote and the voting table is noted at Appendix 1 for Reference.

Appendix A – Voting Table

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

APPENDIX 2 – Updated Falling Rolls Policy

Falling Rolls is governed by the guidance provided by the Education Funding Agency (EFA) and notes conditions/criteria regarding the application of such, the main stipulations within the guidance note:

- a) Falling Rolls can be top sliced from DSG in order to create a small fund to support schools with falling rolls where local planning data shows that the surplus places will be needed within the next three financial years. Schools Forum should agree both the value of the top slice and the criteria for allocation and the local authority should regularly update the school's forum on the use of the funding.
- b) The formula for allocating funds should contain objective trigger points for qualification and a clear formula for calculating allocations. There may be different methodologies for different phases, but compliant criteria should note:
 - a methodology to calculate surplus school places;
 - local planning data confirming the future need for school places;
 - confirmation that funding will not support the provision of an appropriate curriculum for the existing cohort;
 - that the school would need to make redundancies in order to contain spending.

Additionally, the guidance notes that there should be a methodology for distributing funding which may include:

- a monetary value per vacant place – with a cap (most likely linked to AWPU);
 - a lump sum payment with clear parameters for calculation (e.g. estimates of providing the cost of an appropriate curriculum, or estimated salary cost equivalent for staff who would otherwise be made redundant, etc.).
- c) Falling Rolls, as it is taken from DSG is accessible by all eligible schools within a local authority area, e.g. maintained and academy.

For access to the Falling Rolls funding stream, schools who qualify are contacted by the Local Authority, and the following must also apply:

- the numbers in the school overall must be reducing, so a school who is losing a smaller year group and gaining a larger one would not qualify, whereas another school who lost more and gained less would.

The local criteria set within North Tyneside for a school to be deemed potentially eligible for Falling Rolls is a reduction in total pupil numbers of 5% or greater. If all other criteria are met, the payment to the school would be calculated as 5/12ths AWPU per pupil reduction.

Sub-Group having reviewed the criteria, further considered EFA guidance, undertaking some additional research regarding operational practice within other Schools Forums both locally and nationally, have determined that there is a need for review of the existing practice.

On this basis the Sub-Group recommended the existing process continues to operate, subject to:

- a) further clarity is provided on the scheme, how it operates in practice and that the application process is updated.
- b) an annual update report requirement noting what has been received and achieved by an individual school is applied,
- c) the use of a cap on the number of years a school can apply is established,
- d) an annual review of the criteria takes place each year in December for application in the following financial year.

DfE guidance set the parameters for a Falling Rolls fund to “ensure that good or outstanding schools with short-term falling rolls receive sufficient funding to deliver an appropriate curriculum and to avoid the need to take costly steps to reduce their capacity, when the demographic data shows that their capacity will need to expand again in the near future”. To demonstrate this and therefore be eligible to access the fund schools must therefore show:

- a) where there are surplus capacity places these are expected to be needed within the next three years, and
- b) it would not be cost effective to close a school or incur significant redundancy costs when pupil places will be required within a relatively short timescale.

Key points of clarity from discussions within Schools Forum:

- established that Falling Rolls experienced by a school should be temporary
- 'temporary' should not exceed three (3) years
- The fund would only be made available where local planning data held by the Local Authority for pupil number data illustrated an expectation that there would be growth in pupil numbers within a set number of years.

Item 9

To: Schools Forum
Date: 10 July 2024

Author:
**Purpose of
 the Paper:**

April Gibbs-Thorn	
Information	✓
Consultation	
Decision	

Title of Briefing: Schedule of Meetings 2024/2025

Date	Time	Location
2024		
Wednesday 25 September 2024	12.30pm	Microsoft Teams
Wednesday 13 November 2024	12.30pm	Microsoft Teams
2025		
Wednesday 15 January 2025	12.30pm	Microsoft Teams
Wednesday 19 March 2025	12.30pm	Microsoft Teams
Wednesday 9 July 2025	12.30pm	Microsoft Teams