

NORTH LINCOLNSHIRE COUNCIL

SCHOOLS FORUM

19 June 2019

PRESENT:

School Representatives

Mr E Gibbs (Chair), Mr B Lawrance, Mr P Raspin, Ms S Thomas, Mr A West and Mrs D West

Academies Representatives

Mr D Flowitt and Miss Z Bidmead

PVI Representatives

Mrs M Drury

Observers

Ms P Whittaker

Local Authority Officers

Ms T Elliott (Strategic Lead – Servicedesk), Mr D Chaplin (Head of Access and Inclusion), Ms J Flintoff (Head of Standards and Effectiveness) Ms R Maughan (Specialist – Commercial), and Mrs A Dawson (Democratic Services – Secretary to the Forum)

The meeting was quorate.

The forum met at the Angel Ballroom, Brigg.

858 APOLOGIES FOR ABSENCE

Apologies for absence had been received from Mrs C Randall, Mrs T Millard, Ms L Norris, Mrs T Norris, Mrs J Fullwood, Mr J Sellars, Mr R Biglands and Mrs C Williams.

- 859 WELCOME AND INTRODUCTIONS** – The Chair advised that it would have been Mr J Sellars last meeting as he was retiring from The Axholme Academy at the end of the term. Mr P Fijalkowski was also retiring from the council at the end of June.

Resolved – (a) That the Secretary writes to Mr J Sellars on behalf of the forum thanking him for his valuable contribution and input over the years, and (b) that the Secretary also thanks Mr P Fijalkowski, on behalf of the forum, for his wisdom and advice.

- 860 MINUTES FROM LAST MEETING DATED 16 January 2019 - Resolved** - That the minutes of the meeting held on 16 January 2019, having been printed and circulated amongst the members, be taken as read and correctly recorded, and be signed by the chair.

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861 **MATTERS ARISING**

Item 856 Goxhill and East Halton Schools' Federation update – Ms Elliott advised that the federation had outturned with a slight surplus at year end, therefore no further action was required.

862 **DEDICATED SCHOOLS GRANT OUTTURN 2018/19** – Ms Elliott presented the report.

The Dedicated Schools Grant (DSG) was a ring-fenced grant which funded schools, high needs provision, early years' settings and elements of central council expenditure which supported delivery. The council was accountable to Government for use of the funding. The report summarised the use of Dedicated Schools Grant in the financial year 2018/19.

The DSG allocation available to the council for 2018/19 was £81.042m after recoupment of the funding for academies of £48.111m. This included the £372k additional funding for High Needs notified in December 2018.

In addition to this there was an in year adjustment to the DSG following the January early years census of £429k, thus reducing the available DSG funding to £80.613m.

Maintained Schools budgets amounted to £58.100m and the outturn position was dealt with in a separate report. Central expenditure for early years, high needs and central provision amounted to £22.973m.

The net effect of spending and adjustments resulted in a drawdown from reserves of £280k

The combined call on DSG reserves was £0.6m lower than expected. The largest contributory factor was a reduced call to support high needs expenditure.

Mr D Chaplin noted that in relation to high needs, the partnership working that had taken place had been very worthwhile and had decreased the pressure on high needs in the right direction.

Further detail and information on earmarked DSG reserves was set out in the report and accompanying appendix.

Resolved – That the final reported outturn for the Dedicated Schools Grant in 2018/19 be noted.

863 **SCHOOLS OUTTURN 2018/19 AND SCHOOLS FINANCIAL STABILITY** – Ms R Maughan presented the report.

The report focussed on the spending of maintained schools budgets in 2018/19 and provided a basis for tracking schools' financial health. Academies were subject to different arrangements for accountability and are were not included in the report.

Individual School budgets for 2018/19 amounted to £106.2m of which £48.1m was recouped by the Education & Skills Funding Agency for academy schools. In addition, maintained schools held reserves of £1.6m.

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Actual expenditure by maintained schools in 2018/19 was £56.8m, which was less than budget, resulting in a contribution to reserves of £1.3m, increasing combined schools' reserves to £2.9m.

The main identified reasons were building works delays where contributions from revenue were budgeted, unexpected vacancies not being filled and increased income such as Supplementary Grant for Free School Meals.

The report and accompanying appendix gave details on deficit balances and significant surpluses.

Discussion ensued on challenges to schools with deficit balances and reasons for significant surpluses.

Resolved – (a) That the final outturn for 2018/19 be noted, and (b) that the forum be kept updated on developments with regard to school balances.

864 **DEDICATED SCHOOL GRANT (DSG) HIGH NEEDS FUNDING** – Mr D Chaplin presented the report.

The report set out DSG High Needs outturn figures for 2018/19 and the extent to which agreed actions had reduced High Needs challenges. The report also outlined High Needs budgets for 2019/20 and any continuing pressures within the system as well as an update of key population and performance data.

Mr Chaplin stressed the importance of the development of Social, Emotional and Mental Health provision and advised that St Hugh's School had put forward an application to create more space for pupils at the school. The agenda now included young people up to age of 25, the provision needed to be very different from what was currently offered.

There had been some uplift on pressure on high needs but in some cases the council's special schools could not meet need; the biggest pressure was towards ages 16 and 17. An application had been successful to commission a 60-place provision for 2020. Interest had been expressed by academies and post 16 establishments with a view to sponsoring the provision.

Discussion followed on funding for alternative provision, in relation to school budgets and pupils in individual schools, partnership working with health colleagues and Education, Health and Care Plans.

Mr B Lawrance queried whether numbers of home educated students were included in the EHCP figures in the report. Mr Chaplin explained that new guidance was being investigated as the approach to home education was changing to make it more robust. There had been a large increase of home educated children in line with figures nationally.

Resolved – That the recommendations outlined in section 8 of the report be agreed:

- i) That work continued to be undertaken with Headteachers and Principals to implement and embed the area-wide solutions to High Needs challenges and pressures ensuring that children and young people's needs remained central.
- ii) That the Access and Inclusion Review be concluded in June 2019.

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- iii) That Banding Levels (mainstream) be reviewed and proposals circulated in October 2019.
- iv) That a second competition exercise for inclusive secondary phase provision be commenced in September 2019.
- v) That Key Stage 2 Social, Emotional and Mental Health provision be fully functioning within the Autumn Term 2019 (20 place SEMH provision – EHCP children).
- vi) That local special school sufficiency be increased by working with the Department for Education to build a new 60 place post-16 provision (complex needs) during 2019/20.
- vii) That information on home educated children with an EHCP, along with a breakdown of bandings 1 and 2 be included in a future report.

865 DEFICIT SCHOOL BUDGETS – Ms J Flintoff presented the report.

The report provided information about school funding, and a proposal for a mechanism for the council to raise concerns with schools where there was an unsustainable budget.

The vast majority of schools in North Lincolnshire maintained healthy budget balances year on year, through robust and ongoing financial management by leaders, and effective scrutiny and oversight by governors.

Some schools had secured sizeable carry-forward budgets, which enabled them to be secure in planning big projects or managing change. A minority of schools had built up deficit budgets. A very small minority of schools used a deficit budget over a long period. This could be due to a variety of causes.

Most schools that incurred a deficit budget were swift in effectively managing their funding and costs to build in a year-on-year reduction and deliver a balanced budget within an agreed time frame. A few are less successful in managing their deficits and even have in-year deficits.

The carry forward that some schools had enabled the system to sustain those schools which were in deficit, offsetting the impact on the Dedicated Schools Grant. The council was able to support those schools, which had entered deficit budget due to financial pressures, through the under-spend of other schools and actively worked with leaders and governors to put in place a viable recovery plan. Where schools were not effectively reducing their deficits this presented a risk to the system for all schools.

The council had the use of statutory powers to issue a Warning Notice to governors and could ultimately de-delegate the school's budget as a final step. As an interim step, and in order to prevent the necessity of using the council's statutory powers, it was proposed that a pre-warning notice was issued to governors where the council had significant concerns about the financial viability or effective management of a school's budget. This would be a Notice of Financial Concern, and would alert governors and leaders to the seriousness of their school's financial situation.

Resolved – That the proposal for a mechanism to issue a Notice of Financial Concern to governors in schools where there are serious financial concern be agreed.

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866 FUTURE AGENDA ITEMS

- Service Level Agreement for data services – explanation – Ms J Flintoff to lead.

867 DATE AND TIME OF FUTURE MEETINGS – That the meeting of the Forum be held on:

- Wednesday 25 September 2019.

To take place at 2.00pm at the Melior Community Academy, Chandos Road, Scunthorpe.