

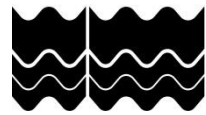
East Sussex County Council Schools Forum

Friday 15th Nov 2024

08.30

Remote Meeting

**East Sussex
County Council**



Agenda

Item	Heading	Paper	Lead	Item for
1.	Welcome and Apologies	N	Chair	Note
2.	Minutes of previous meeting 20th Sept 2024	Y	Chair	Approval
3.	Matters Arising and Declaration of Interests	N	Chair	Discussion
4.	High Needs Block – Inter Block Transfer Request	Y	Nathan Caine	Approval
	AOB			

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EAST SUSSEX Schools' Forum

Minutes of a meeting of the Schools' Forum held remotely with Microsoft Teams on 20 September 2024

MEMBERS

Primary

Richard Blakeley (Parkside Primary)
Laura Cooper (St John's CE School)
Vicky Anderson (Catsfeld CEP School)

Primary Governors

Peter Hughes (South Malling Primary School)
Debra Vice Holt (Oak Tree Federation)

Secondary

Emily Winslade (Priory School)
Helen Key (Chailey School)

Secondary Governor

Monica WhiteHead (Claverham Community College)

Special School

Paul Prest (Grove Park School)

Academies

James Freeston (King Offa Primary Academy)
Gavin Bailey (Swale Academy Trust)
Sam Cornelius (University Of Brighton Academies Trust)
Zoe James (MARK Education Trust)-Chair
Sally Hill (Aquinas Trust)

Special Academy

Kirsty Prawanna (Glyne Gap)

Pupil Referral Unit

Neil Miller (LSEAT)

Non School Members

Phil Clarke (Trade Union representative)
Joanna Sanchez (Diocese of Arundel and Brighton)
Jon Gilbert (Diocese of Chichester)
Hannah Caldwell (Post 16 East Sussex College Group)

ESCC representatives

Cllr Bob Standley (Lead Member for Education and Inclusion, Special Educational Needs and Disability)
Elizabeth Funge Assistant Director Education
Nathan Caine (H of Ed SEND & Safeguarding)
Honor Green (BSD Finance)
Edward Beale (Acting Finance Manager - Children's Services)
Sarah Rice (Finance Manager - Schools)
Kirsten Coe (Schools Funding Manager - Acting)
Sarah Allen (Clerk)

1 Welcome and Apologies(Note)

1.1 It was confirmed the meeting was quorate, recognising the apologies below

Laura Cooper
Vicky Anderson
Debra Vice Holt
Carolyn Fair
Kirsty Prawanna (Richard Preece attended as a substitute)
Joanna Sanchez (Paul Barber attended as a substitute)
Neil Miller (Guy Walsh attended as a substitute)

2 Agenda Item 2: Minutes Of Previous Meeting 12 July 2024 (Approval)

2.1 The minutes for the meeting held were approved as a true record and will be signed by the Chair.

3. Agenda Item 3: Matters Arising And Declaration Of Interests (Discussion)

3.1 Matters arising - No matters arising

4. Agenda Item 4: De-delegation (vote for approval)

4.1 Recommendations:

Recommendations were made for maintained school representatives to agree delegation for: contingency, behaviour support services, administration of free school meals, jury service and union business, and headteacher partnerships. The Support for ethnic minority pupils has been subject to a two-year agreement; this was voted on last year so was not brought to a vote in this meeting.

4.2 Comments:

There were comments provided from a headteacher last year who felt the meetings were not being arranged and not getting much from the contributions.

Details of the range of meetings that the partnership de-delegation funded were provided, these included the full range of headteacher meetings (which were well attended) as well as funding headteacher boards, EIP and Alliance Meetings as well as Early Years, subject and SENCO Hubs.

A query was also raised with regards to the behaviour support services in that some schools missed out on support last year as a result of recruitment difficulties. It was asked, if every primary school benefit from the TASS service fully this year.

In response it was clarified that the TASS team are now fully staffed with advisers and it is a priority that all primary schools will be provided with their services.

Members were requested to vote and approve the De-delegation.
Results as below:

De-delegation	Primary Phase		Secondary Phase	
	No. of 'Yes'	No. of 'No'	No. of 'Yes'	No. of 'No'
Contingency	5	0	2	0
Administration of FSM	5	0	2	0
Jury Service and Union Business	5	0	2	0
Behaviour Support Services	4	1	1	1
Head Teacher Partnership	5	0	2	0

For the Behaviour Support Services (Secondary Phase), the result was one "Yes" vote and one "No" vote meaning the decision reverts to the previous year's decision. The outcome being that the Secondary Phase did not agree to de-delegate Behaviour Support Services.

5. Agenda Item 5: HNB Response to demands 24/25

5.1 Recommendations:

This paper follows on from discussions that took place in the spring and summer of last academic year where the potential for an impact on schools' budget was raised, due to the overspend of high needs block. This is predominantly as a result of the large number of pupils in ES in special schools and the need to use high-cost placements in the Independent and Non-Maintained Special (INMS) sector as an overflow for state-run provision.

Work has continued over the summer with providers and partners to develop our work around ensuring a fair and affordable funding system.

The total pressure forecast pressure on the High Needs Block for 24/25 is £2.83m. East Sussex is in a minority of Local Authorities who have not experienced an overspend in the HNB and has already undertaken a lot of work to mitigate this. This means that an interblock transfer of funding from the Schools' Block to the HNB is very likely to be required. Should this be the case, proposals will be brought to the Schools' Forum meeting on 15 November.

In order to offset the potential impact on individual school budgets of an interblock transfer, the proposal is to retain the balance of the central school reserve and transfer this to the HNB to reduce the overspend. This reserve currently sits at £1.049m.

5.2 Comments:

A query was raised as to whether Schools' Forum has an underpinning reference which says how much we are allowed to move from the DSG to the High Needs Block.

It was highlighted that a maximum of 0.5% of the total school's block can be moved across to High needs Block. Further details of this will be set out in the November meeting.

Further details were requested on what are we doing to negotiate prices with the independent sector.

Every above inflation price rise is challenged and we make every effort to get INMS providers to sign contracts with us. However, this is not always possible and the legislation does not allow for us to enforce this. We are one of the 40 lowest funded local authorities in the country, and we continue to lobby national government to address the issue. Details of the comparative funding in of the HNB in East Sussex were det out in previous papers.

It was further confirmed that the projected overspend of £15.8 million in 25/26 is based on an increase in demand at the current rate and the same settlement for the HNB as this year.

Members were requested to vote and approve the HNB response to demands 24/25. Results as below:

	Number voting 'Yes'	Number voting 'No'	Number of Abstentions
HNB Response to demands 24/25	8	0	6

6. Agenda Item 6: Core schools budget Grant

6.1 This item provided information, to Forum members, on some new grant funding the DfE are providing for mainstream and Special Schools / academies.

The funding rates have been published and there is a calculator online where schools can see the estimate available for 24/25.

The estimated Maintained school funding ranges from £9,000, for smaller schools, to £160,000 for larger schools.

Comments:

No comments

7. Agenda Item 7: Oracle Implementation update

7.1 Oracle is the system that will replace the current system SAP, we have no choice about replacing SAP as it will be out of support in 2027. The presentation covered the benefits of the new system across HR and payroll services.

7.2 Training for the new system will be provided and a launch for engagement will be held in the autumn.

Comments:

What is the timeline for the implementation?

Implementation will be set out in phases, with the aim for phase to go out in April 2025

And then an estimate of 10-12 months to implement payroll.

ACTION - Please recommend any nominations of people or teams to meet with for engagement.

8. Agenda Item 8: Any Other Business

Meeting concluded at 09:33am

Next meeting - To be held Friday 15th November 2024

Helen Key will be absent for the next meeting in November and will arrange for cover or will send the vote prior to the meeting.

DRAFT

Report to:	Schools' Forum
Date of meeting:	15 November 2024
Report By:	Carolyn Fair
Title:	High Needs Block - Request for Interblock Transfer
Purpose:	To seek approval from Schools' Forum for an interblock transfer from the schools' block to the High Needs Block (HNB) to mitigate pressures.

Recommendations:

- That Schools' Forum agrees for a £1m interblock transfer from the schools' block to the High Needs Block, to take effect from 1 April 2025.
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1. Background

- 1.1 At Schools' Forum in May and September, we provided updates on the growing pressure within the High Needs Block and the potential implications for mainstream schools in terms of addressing this deficit.
- 1.2 Despite our best endeavours, the demand for placements outside of the mainstream sector has grown considerably which has resulted in the need for us to place more children in the high cost, independent and non-maintained special sector.
- 1.3 At the start of the academic year, East Sussex already had a very high proportion of pupils in the special sector (compared to national and statistical neighbour figures). The pressures that this created in the system was highlighted through the Joint Board, especially as the biggest increase in demand comes from the volume of requests for EHC Needs Assessments at the end of KS2 and the low number of children with EHCPs who receive a positive offer of a mainstream secondary place at phase transfer (despite them having spent their primary education in a mainstream primary school).
- 1.4 Although the Chancellor has committed to an additional £1bn for SEND in the budget, we do not yet know where this will be targeted. The policy direction from the new government appears to be to shift more provision into the mainstream sector, but how this will manifest itself in terms of funding is not yet known. A decision is, therefore, required at the November Schools' Forum meeting based on the current position. This will enable us to comply with the timescales for making changes to budgets for April 2025.

2. Supporting Information

- 2.1 In the September meeting of Schools' Forum, the HNB position at the end of Q1 24/25 was presented, which showed that we were forecasting a total pressure on the High Needs Block of £2.83m. This was the mitigated figure after the last of the reserves within the HNB had been used.

- 2.2 At last Schools' Forum in September, it was agreed to use the final reserves within the Central Schools' Services Block (CSSB) of £1.049m to offset this figure further, which brought the overall pressure down to £1.79m.
- 2.3 Due to some continued increases in the number of pupils who we are having to place in the INMS sector or educate outside of school on bespoke programmes (as well as some increased costs associated with supporting provision for a range of children with high needs), the forecast deficit now sits at £5.788m; the CSSB mitigations bring this figure down to £4.739m.
- 2.4 Since the last School's Forum, we have been looking at other ways in which we might mitigate the growing pressure further. This is a challenge as the regulations regarding DSG specify that one area of DSG can only be offset by another DSG funding block. These regulations further limit where we can fund resources from and in our discussions with the DfE, there is a clear expectation that we should be looking across all of the DSG budgets in order to address the pressure in the HNB.
- 2.5 When we met with the DfE to discuss the pressures on the HNB, they identified the £18.252m that is currently held within the maintained school 23-24 carry forwards and that consideration should be given as to whether to use this to offset the overall position. We have decided not to pursue this option as it would only impact maintained schools, causing an inequality between maintained schools and academy funding. This will, however, be a potential area of contention should any request for interblock transfer need to go to the Secretary of State.
- 2.6 The other area that we have looked into utilising is the Early Years Block which currently has a contingency of £2.8m. The DfE expects local authorities to have some contingency to support the implementation of the early years reforms. We are currently consulting with providers on using this funding to incentivise the sector to take disadvantaged 2 year olds. This is to ensure take-up remains high and to allow us to have proactive conversations with providers so that they are able to support more children with SEND. Therefore, there is a risk in utilising this area of DSG at this stage. Furthermore, the DfE may decide to recoup some of this funding at the end of the year as they have done in previous years. As with school surpluses, however, this remains an option for consideration in 25-26.
- 2.7 In addition to the above, there are further uncertainties within the system that will have an impact on both school and HNB budgets. For example, we do not know what the level of guaranteed uplift to school budgets will be as a result of the settlement that was announced in the budget. We also do not know how the additional funding for SEND will be allocated to schools and Local Authorities. We are clear, however, that even if the entirety of the additional £1bn was allocated to HNB, this would still leave a deficit of around £1.5bn nationwide. With the very high number of pupils East Sussex has in special schools, we would still have a pressure on the HNB that needs to be mitigated.
- 2.8 We have modelled the impact of different scenarios of Schools' Block reduction to offset HNB pressures. In doing this, we have assumed that there will be a similar increase in the protection for schools (MFG) as was agreed for this year (0.5%). Due to having to maintain the minimum per pupil level factor, this means that 38 schools would not be impacted by any interblock transfer and the remaining 135 would see a reduction in their budget.
- 2.9 In light of the uncertainties around the settlement for 25/26, and the differential impact that the interblock transfer will have on individual schools, we are proposing at this point that we undertake an interblock transfer of £1m. This would see 38

schools having no impact on their budgets for 25/26 and 135 seeing a reduction of between -0.01% and -0.5% (£600 to £39,000). Appendix 3 sets out the implications to schools as if the £1m interblock transfer took place in 24-25. These do not necessarily reflect the schools' budget shares for 25-26.

- 2.10 This would mean that we would be carrying a deficit of HNB into next year of around £3.739m. If the 25-26 allocation for the HNB did not cover this deficit plus our projected spend next financial year (for which we are already forecasting a pressure of £10.2m), then Schools Forum will need to consider a further interblock transfer and/or mitigations from other areas of DSG.
- 2.11 It is clear that there will be more details of the financial settlement from last month's budget in the Spring Statement. By this time we hope for greater understanding around the HNB allocation for 25-26, as well as what the government's vision is to reform England's SEND system. Due to the timescales specified by the DfE, we must make the decision on an interblock transfer at this meeting so that changes to budget shares can be made in time for the next financial year. If, however, we find that the settlement for next year is better than expected, we can reverse some (or indeed all) of the transfer back to individual schools from the HNB.
- 2.12 As we have consistently stated, this is not a position that we would want to be in. However, it is no longer possible to fund a system with high levels of placements in the special school sector without some of the resources for those children following them from the mainstream sector. We are, therefore, bringing forward the proposal today that Schools' Forum supports the recommendation for an interblock transfer from the Schools' Block to the High Needs Block. If this recommendation is not supported, the DfE require us to seek approval from the Secretary of State to transfer the necessary funding from the schools' block to the HNB.
- 2.13 We are hopeful that the new government's agenda will provide enhanced support and resources that will enable mainstream schools to facilitate a more inclusive landscape for the county. However, until we have further details of what this will look like in the Spring, we will have to manage the cost of placements within the current system and the overall envelope of funding within the DSG.

3 Recommendations

- 3.1 In light of the above, it is recommended that Schools' Forum agrees to an interblock transfer of £1m from the schools block to the High Needs Block for the 25/26 financial year.

Carolyn Fair

Director Children's Services

Contact Officer: Nathan Caine, Head of Education: SEND and Safeguarding

Tel. No: 01273 482401

Email: Nathan.caine@eastsussex.gov.uk

7.2 Methodology underpinning the 10% tightening requirement

Local authorities are required to move their local formula factor values at least 10% closer to the NFF factor value, except where local formulae are already mirroring the NFF. This requirement does not apply to the optional, locally determined factors.

For the purpose of the tightening criteria, local factor values within 2.5% of the respective NFF values are deemed to be mirroring the NFF. This means that local authorities which had factor values within +/- 2.5% of the NFF values in 2023 to 2024 will be allowed to set their 2024 to 2025 factor values anywhere within +/- 2.5% of the 2024 to 2025 NFF values. Likewise, no local authority will be required to move their factor values closer than +/- 2.5% of the 2024 to 2025 NFF because of the 10% tightening requirement.

7.7 Minimum per pupil level (MPPL) for primary and secondary schools

This is a compulsory factor. It must be used in local funding formulae, at the NFF values (no ACA is applied to this variable).

The purpose of this factor is for local authorities to provide the NFF minimum per pupil levels (MPPLs) to every school. All local authorities must implement the MPPLs by following the same methodology used in the NFF, summarised below and detailed in the [NFF technical note](#).

Local authorities have the option, as with other aspects of the school funding regulations, to request to disapply the use of the full NFF MPPL values. Such requests should only be made on the grounds of affordability, including in relation to the circumstances set out in the final paragraph relating to the tightening of local formulae within [methodology underpinning the 10% tightening requirement](#).

Appendix 2 - Amended funding factors for £1m interblock transfer as per 24-25 rates

Phase	Primary		Secondary	
	2024/25 Rates	Proposal	2024/25 Rates	Proposal
Lump Sum	£134,400	£134,400	£134,400	£134,400
Per Pupil Primary *	£3,567.92	£3,552.74		
Per Pupil KS3 *			£5,030.78	£5,008.94
Per Pupil KS4 *			£5,669.78	£5,646.28
FSM	£490	£489	£490	£489
FSM Ever 6	£820	£818	£1,200	£1,197
IDACI A	£680	£678	£945	£943
IDACI B	£515	£514	£740	£738
IDACI C	£485	£484	£690	£688
IDACI D	£445	£444	£630	£628
IDACI E	£285	£284	£450	£449
IDACI F	£235	£234	£340	£339
Mobility	£960	£960	£1,380	£1,380
Prior Attainment	£1,170	£1,167	£1,775	£1,770
EALS	£590	£588	£1,585	£1,581
Minimum per pupil	£4,610	£4,610	£5,995	£5,995
MFG	100.50%	100.5%	100.50%	100.5%

* Please note the 2024/25 Baseline per per unit rate was above NFF rates by £5.92 Primary and £8.78 Secondary

Appendix 3 - Summary of £1m interblock transfer from average school budgets as per 24-25 rates

Size of School	Number of schools	Average Monetary Change
Primary School with NOR up to 210 pupils	81	-£1,990
Primary School with NOR 211-420 pupils	51	-£3,531
Primary School with NOR over 421 pupils	15	-£3,560
Secondary School with NOR up to 1000 pupils	10	-£15,640
Secondary School with NOR over 1000 pupils	13	-£28,177
All Through School wit NOR between 1150-1510	3	-£29,200
	173	

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