

**MINUTES OF A MEETING OF THE
HAVERING SCHOOLS FUNDING
FORUM**

**Thursday 21st September 2023 (8.00 –
9.45am)**

Present:

Representative Groups

LA Maintained School Representatives:

Primary: Kirsten Cooper (Chair)
Georgina Delmonte
Hayley Durrant
Hayley McClenaghan
Chris Speller

Special: Emma Allen

Academy Representatives:

Primary: Chris Hobson

Secondary: Denise Broom
Neil Frost

Non-School Representatives:

Early Years PVI Sector: Emma Reynolds

Trade Unions: John Delaney (Teaching staff union representative)
Peter Liddle (Support staff union representative)

Non Members in attendance:

Angela Adams	Clerk, HGS
Nick Carter	Strategic Finance Manager
Trevor Cook	Assistant Director of Education
Kathy Freeman	Strategic Director of Resources
Caroline May	Assistant Director of Finance, People, and places
Hany Moussa	Principal Education Finance Officer

1. APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS OR OBSERVERS

Forum members noted that Hayley Durrant, Head Teacher at The James Oglethorpe Primary School, had joined the Havering Funding Forum as the representative of Cluster B, replacing Garth Tucker. It was also noted that Tony Machin, Head of Olive Academy had joined the Forum replacing Gary Haines. Kathy Freeman and Caroline May, recently appointed Directors from Havering were also observing the meeting.

2. ELECTION OF CHAIR AND VICE CHAIR

Kirsten Cooper advised Forum members that she would be happy to stand as Chair again. There were no other nominations put forward.

Hayley McClenaghan proposed, and Chris Hobson seconded, and all forum members agreed to elect K Cooper as Chair of the Forum until the first meeting of the autumn term 2024.

The reappointment of David Turrell as Vice Chair was discussed. There were no other nominations put forward.

Kirsten Cooper proposed, and Emma Allen seconded, and all Forum members agreed to elect D Turrell as Vice Chair of the Forum until the first meeting of the autumn term 2024.

3. TO AGREE THE NOTES OF THE MEETING HELD ON 15th JUNE 2023

3.1. The minutes of the meeting held on 15th June 2023 were agreed as a correct and accurate record.

3.2. The following matters arising were noted:

3.2.1. S251 Budget submission line 1.2.5 : Forum members noted that Special Education Needs (SEN) support services included Early Years (EYFS). The expenditure shown related to the Inclusion Fund With regard to the Capital expenditure Forum members noted that S251 return required a split of the budget between phases. Known items were included under the relevant phase and the remainder split on a notional bases.

3.2.2. School Partnership and Schools Causing Concern fund 2022 – 23(exempt item) (minute 12 refers): Forum members noted that the Chair had fed back to Trevor Cook about this item.

4. EARLY YEARS FUNDING

Forum members were asked to note the report on the following:

Forum members noted that the funding for the Early Years Block (EY) of the Dedicated Schools Grant for 2022–23 was initially calculated using January 2022 census data and this was then reviewed after the January 2023 census data was available. There was a reduction in hours for EY between January 2022 and January 2023, so this resulted in a reduction in funding of £195k overall. The DfE did not notify LAs of the adjustments until 31st July 2023. This change to funding had been predicted by H Moussa who had processed an accrual in Havering's accounts. His estimate had been within £7k of the actual figure. The figures reported in June 2023 therefore remained unchanged. In previous years the recalculation after the January census had resulted in extra funding, but not for 2022-23

For 2023–24 the DfE had announced there would be additional funding. The extra funding was calculated using the Early Years NFF. Havering had received a lower amount than any other London Borough. The DfE had stipulated that this funding was to be distributed to providers as an addition to the hourly funding rates.

Forum members noted the funding rates for 2023–24, as included in the papers circulated in advance of the meeting. There would be a 19p per hour increase for 3&4 year olds, £2.12 per hour increase for 2 year olds and a small increase in EY pupil premium rates. The increase applied from 1 September 2023.

It was questioned how SEN funding was going to be increased. A Forum member advised that there were issues with finding settings to support pupils with high needs under the age of 5. It was agreed that this was an issue across all sectors and it could be reviewed by the High Needs Task and Finish Group. Some schools had Additionally Resourced Provisions (ARPs) for children with SEN but there was no similar provision available for the under 5's. The need was increasing within the PVI sector and school nurseries.

The timetable for the roll out of expanded childcare was noted with the target of all schools providing or signposting wrap around care from 8am till 6pm by September 2026.

Over the last few years the central retention of Early Years funding had been £790k. This would need to be reviewed in light of additional costs associated with the expansion of funded childcare. It was noted that LAs were currently allowed to retain up to 5% of funding for 3&4 year old but Havering only retained 4%.

Forum members noted the report.

5. TEACHERS PAY ADDITIONAL GRANT 2023 -24 AND 2024-25

Forum members were asked to note the details in the report:

Forum members noted that the Government had announced a £525m grant to support schools with the September 2023 pay award for teachers with a further £900m in 2024-25. This funding would be allocated to schools through the Teacher's Pay Award Grant (TPAG) before being consolidated into the National Funding Formula (NFF) for 2025-26 budgets.

For the period September 2023 to March 2024 Havering primary schools would receive between £5k and £38k with a median value of £19k. Secondary schools would receive between £21k and £85k with a median value of £63k.

The amount that would be received by each school would be known in advance for the budget next year. This would support the schools with planning.

For LA maintained schools, the TPAG would be received until March 2025 as a separate grant then included in the NFF from April 2025. For Academies, that follow a different financial year, TPAG would be received as a separate grant until August 2025 and then included in the NFF from September 2025.

Forum members noted the report.

6. SCHOOLS FUNDING 2024 – 25

Forum members were asked to:

- (i) Note the announcements with regards to school funding for 2024–25.
- (ii) Agree to apply the NFF rates to schools' data when calculating funding.

Forum members noted that in July each year the DfE released indicative funding rates for the Schools Block. The NFF had been adopted by Havering since it was first introduced in 2018. Since then, the minimum funding guarantee and gains caps have been agreed by the Funding Forum. It was noted that the growth and falling rolls funding may change.

For 2024 the Mainstream Schools Additional Grant is rolled into the NFF. NFF factor rates will rise as follows:

- 2.4% to basic entitlement, low prior attainment, FSM6, income deprivation affecting children index (IDACI), English as an additional language (EAL), mobility and the lump sum
- 2.4% to the minimum per pupil levels (MPPL)
- 1.6% to the free school meals (FSM) factor

Indicative funding for 2024–25 is based on the pupil numbers from the census completed in October 2022. The final allocation is based on October 2023 numbers and is released by the DfE in December. A comparison of the funding received for 2023–24 and indicative funding for 2024-25 was included in the report.

Forum members' attention was drawn to appendix B, and it was noted that an Area Cost Adjustment (ACA) is applied to Havering's NFF rates to account for higher staffing costs due to London Weighting. The ACA for Havering is just over 8%.

Forum members:

- (i) Noted the announcements with regard to school finding for 2024 – 25.**
- (ii) Agreed that NFF rates and factors are used to calculate individual school budgets**

Funding options for 2024-25 would be brought back to the next meeting, 19th October 2023, and the results of the funding consultation with all schools would be brought back to the Forum on 30th November 2023.

ACTION: N Carter

7. HIGH NEEDS FUNDING 2024 – 25

Forum members were asked to note the details in the report.

In recent years High Needs funding had increased by around 10% each year. This would not be the case for 2024-25. The DfE use a formula to calculate each LAs funding for high needs, but this calculation does not include the number of Education Health Care Plans (EHCPs) in place in the schools.

One of the factors used in the formula is historical spend from 2017–18. This does not reflect the current needs in Havering. There is a 5.2% rise in high needs funding for 2024-25 but this did not cover the increased costs of supporting high needs including the pay award for support staff.

It was questioned where any funding for early years was met from the High Needs Block. The Complex Needs funding for pre school pupils with an EHCP is met from here. It was noted that the total funding received by an early years provider for a pupil with an EHCP now matches the £16.50 hourly rate received by schools for pupils in Yr R to Yr 11. The comment was made that there was not enough funding to support the number of pupils with complex needs.

Forum members noted the report.

8. CENTRAL SCHOOLS SERVICES BLOCK (CSSB) 2024 -25

Forum members were asked to;

- (i) Note the allocation of CSSB for 2024–25
- (ii) Consider the request to retain funding for central statutory services

N Carter advised that when the DfE introduced the block system of funding, a Central Schools Services Block (CSSB) was introduced to support some of the school related functions of the LA previously met from a separate grant. There are two elements to the block, ongoing responsibilities and historical commitments. The funding rate for ongoing commitments had been increased by £1.10p per pupil

but the historical commitment element was reducing by 20% each year and was £94k for 2024-25.

Services funded from CSSB included copyright licences. Forum members noted that these were now negotiated by the DfE and the cost was considerably higher than when it had been negotiated by the LA. An increase of 7.2% had been allowed for 2024-25 but the actual cost would not be known until December 2023.

There was a proposed increase of 2.5% to the contribution to central service costs. These costs are largely comprised of staff salaries which would rise by closer to 5%.

The historical commitment element for 2024-25 was £94k. This would be used for items that are accessible to a large number of schools. This includes the coaching bursary, Havering Academy of Leadership and support commissioned on behalf of all schools.

Forum members

- (i) Noted the allocation of CSSB for 2024–25.**
- (ii) Agreed to the proposed use of funding for central statutory services.**

9. DE-DELEGATION OF FUNDING FOR CENTRAL SERVICES 2024–25

LA maintained primary school representatives on the Forum were asked to consider whether they wish to:

- 1) Continue with the de-delegation of funding to provide a contingency to support schools in financial difficulty.
- 2) Continue with the de-delegation of funding for the following services:
 - (i) Insurance
 - (ii) Free school meals eligibility checking
 - (iii) Maternity leave insurance
 - (iv) EAL service
 - (v) Behaviour support service
- 3) LA maintained primary and special school representatives on the Forum were asked to consider the delegation of funding for the following:
 - (i) Statutory and regulatory duties
 - (ii) Core school improvement activities

LA maintained school representatives were asked to take these items back to their clusters for consideration. A decision would be needed by 30th November 2023. An opportunity for feedback would be included on the agenda for the next meeting.

ACTION: N Carter

9.1. Schools in financial difficulty

With regard to schools in financial difficulty, it was questioned if this de-delegation should continue with all schools experiencing tighter budgets. De-delegation at the same rate as in previous years would generate a fund of £190k. The amount de-delegated to this fund could be increased but this would impact all school budgets. In previous years allocating £190k could make a significant difference to the schools in financial difficulty that received a share of it. Now this amount does not make a great difference to the deficits faced by schools.

Schools in receipt of funding in 2023-24 had passed on their thanks to the Schools Forum.

In response to a question, Forum members noted that for 2023– 4 21 schools had not been able to set a balanced budget compared to 17 in the previous year. School budgets were a significant issue that could not be ignored by the Forum. Some schools predicted a high deficit, and many had used up their surpluses. It was noted that even though there was an increase in the number of schools in deficit, the overall net surplus at the end of 2022-23 was still higher than in 2019-20. The pandemic had given schools some breathing space financially.

9.2. Insurance

If de-delegation was approved schools would be included in the Borough wide contract. Insurance costs were rising but there had been an underspend against the sum de-delegated in 2022-23.

9.3. Free school meals eligibility checking

This covered the costs of the administration of Free School meals (FSM) eligibility checking. Academies also bought into this service. No rate increase had been proposed even though the associated staff costs had risen as a result of pay awards. Funding was de-delegated based on the numbers of FSM eligible pupils in schools. This number was rising so the sum de-delegated was rising and this would cover the increase in staff costs.

9.4. Maternity

There had been an overspend in this de-delegated area in 2022–23 due to an increase in the number of staff on maternity leave. Maternity pay had also risen with rises in salaries. A 6% rise was proposed for 2024-25 in line with salary rises this year.

9.5. English as an Additional Language (EAL)

M Wain had provided an update paper on the work of the EAL team. The proposed rate for de-delegation remained at £38 per EAL3 pupil. An increase in the number of EAL pupils had led to increased demand for this service but

also to an increase in the total income generated by a rate of £38. This would be sufficient to cover the cost of additional hours worked by a consultant engaged by the service.

9.6. Behaviour support service

Forum members noted that a restructure had created four posts in this team, of which three were filled. A change in the activity funded by de-delegation meant it was not possible to make a direct comparison with costs for the last financial year. One Forum member noted that they had not bought into this service the previous year and questioned if there was any difference in the service this year. It was noted that the changes had taken a year to implement and it was questioned whether it would take a year for them to be embedded.

The clusters would be consulted, however, it was noted that the communication of the outcome of the restructure needed to be clearer and available support needed to be shared equitably. It was advised that Liz Dunnett could visit the clusters if this would help. £200k had been delegated to the service and it was not known what the service provided. In response it was noted that de-delegation now funded Family Support Practitioners that carried out a non statutory function.

Schools wanted to ensure they received value for money.

9.7. Trade union facility time

A task and finish group was meeting to discuss this so it would be deferred to the next meeting.

ACTION: N Carter

Education functions (including Special schools)

Statutory and regulatory duties

Forum members noted that there would be a standard increase of 2.3% for 2024–5 to £19.31 per primary school pupil and a 2.3% rise for special schools bringing it to £45 per place.

9.8. Core School Improvement Activities

De-delegation was introduced to cover the withdrawal of the School Monitoring Improvement and Brokerage Grant by the DfE. The LA were only seeking half the funding that had been lost.

There had been a review of the quality assurance framework. Progress review meetings (PRMs) were one area funded through de-delegation.

LA maintained school representatives were asked to take these proposals back to their clusters for feedback to the Forum by 30th November 2023.

ACTION: Representatives of LA maintained schools

10. DELIVERING BETTER VALUE (DBV) IN HIGH NEEDS UPDATE

Forum members were asked to approve the re-establishment of the High Needs task and finish group and to delegate the review of the updated DSG management plan to this group.

The DBV programme was intended to provide LAs with a route to balancing expenditure on the High Needs Block. It looked at how LA could mitigate projected rising costs. In practice it had only been able to reduce the rate at which the overspend increased and not to eliminate the overspend.

The LA had submitted a bid for a grant for £1m to use on implementing changes that would reduce projected costs. The bid had been successful and the full £1m would be received.

The LA would now begin to work on building parental confidence and ensuring that the offer in schools and ARPs was sufficient. This would be backed up by training and CPD. As part of the DBV programme, the Dedicated Schools Grant (DSG) Management Plan would be updated and the LA suggested that the High Needs Task and Finish group was the most appropriate group to review this. The membership would remain the same as last year and it would meet after the next Funding Forum meeting. Updates would be shared with the Forum.

Forum members agreed to the re-establishment of the Task and Finish group for High Needs.

11. NEXT MEETINGS

The following dates for the rest of the academic year were noted:

19 October 2023
30 November 2023
11 January 2024
8 February 2024
13 June 2024

Meetings to start at 8.00 a.m. at CEME room 233 or 235.

12. ANY OTHER BUSINESS

N Carter shared with members of the funding forum that he had taken the decision to retire after 34 years of service to the authority. His last day of service would be 30th November 2023.

Forum members stated that they had always been happy with the service they received and would miss him.

Meeting closed at 9:45am.