

Minutes of the meeting of the Ealing Schools Forum

Date: Wednesday, 21 June 2023

Venue: Council Chamber, Ealing Town Hall, New Broadway, Ealing W5

LBE Officers in attendance:

Robert South, Tamara Quinn, Kim Price, Julie Lewis, Mike Pinder, Cornelia Harding and Keith Broomfield.

1 Appointment of Chair

Resolved:

Paul Adair was appointed as chair for the municipal year 2023 to 2024.

2 Election of vice-chair(s)

Resolved:

Jeremy Hannay was appointed as vice-chair for the municipal 2023 to 2024.

3 Apologies for Absence and Substitutions

PRESENT

Members:

Special Schools: Paul Adair (chair, in person), Ian Buchanan (in person)

Primary Schools: In person: Emma Appelby, Mike Cassidy, Jamie Maloy, Venessa Nicholas and Wendy Smith. Virtual: Iram Woolley

High Schools: In person: Charlotte Hames and Marion Budd. Virtual: Rachel Kruger

Academies: Kimberley Herring and Roisin Walsh (both virtual)

Representative of Staff nominated by recognised trade unions: Stefan Simms (in person)

VA and Faith Ethos Academy/Free School Providers: Pete Broadbent (in person)

PVI Nursery Provider: Susan Dhillon (in person)

Non-Executive Members of Council: Councillor J. Martin (in person)

Apologies

There were apologies for absence from:

Primary Schools: Philip Portwood and Jeremy Hannay

Academies: Toni George

Pupil Referral Unit: Jon Hicks

16-19 Partnership: Sajada Sajid

Non-Executive Members of Council: Councillors A. Steed and C. Sharma

Absent

Nursery Schools: Nick Hassanali

Primary Schools: Dave Woods

High Schools: Mia Pye

Vacant positions

Primary Schools x 1

Representative of Non-Maintained SEN providers x1

4 Urgent Matters

There were none.

5 Matters to be Considered in Private

There were none.

6 Declarations of Interest

There were none.

7 Minutes

Resolved:

That the minutes of the meeting of the Ealing Schools Forum held on Thursday 4 May 2023 be approved by the Forum and signed by the chair as a true and correct record.

8 MEMBERSHIP

Resolved:

That the Forum noted the membership and current vacancies on this committee. The chair welcomed the new members on the Forum including Cllr John Martin, Cllr Charan Sharma and Pete Broadbent.

9 Schools Forum Report - June 2023

Mr Mike Pinder, Assistant Director, Audit & Investigation, gave an update on fraud risks and prevention. His department was a shared service with Hounslow Council, looking after circa 150 schools. Mr Pinder reported that he had recently met with school bursars, who would be feeding back to headteachers and governors. Mr Pinder gave an overview of his findings from the audits of schools' finance processes which he and his team had recently carried out.

Mr Pinder referred to the slides in his presentation, which were part of the agenda papers. He reported that issues around hospitality expenditure was one of the main trends that schools needed to address; an extract from the Financial Regulations, Gifts and Hospitality, was included in the presentation slides. Mr Pinder said his team had recommended disciplinary action for non-compliance in a few cases across Ealing and Hounslow, where funds had been mis-used in hospitality.

Mr Pinder reminded schools to check the regulations and to refer to the education accountancy and audit teams within the council for advice and

guidance. Mr Pinder gave a couple of real life examples that were in the public domain and he went through various steps schools, head teachers and governors could employ to prevent fraud.

The forum, via the chair, thanked Mr Pinder for his presentation.

Kim Price, Planning and Resources Strategic Lead, introduced the rest of the report, the purpose of which was to provide a summary of the outturn position for the Local Authority (LA's) maintained schools and the Dedicated Schools Grant (DSG) 2022-23; and highlight issues relating to funding that the Forum will need to consider as part of the Early Years, High Needs, Schools and Central Schools Budgets for 2023-24 and 2024-25.

Ms Price stated that at the summer meeting of the Schools' Forum officers report on the outturn position of the previous financial year 2022-23, the current financial year 2023-24, and financial outlook for the coming financial year 2024-25. Further reports would be made in November and then in January. At the January meeting, final budget proposals would be considered before the Schools funding formula allocations would be agreed by the Council and submitted to the Department for Education.

In response to questions from the forum, Kim Price and Tamara Quinn (Assistant Director, Schools Planning, Resources and Service Development) provided the following responses:

- falling rolls was a factor in primary schools getting into deficit, as it resulted in lower school budgets; as was inflation outstripping the increases in the funding formula elements, particularly where salaries and energy and other bills were concerned
- the situation for maintained nursery schools was even more acute, with the fall in the birth rate, fewer year groups and smaller budgets together with the fact that funding for maintained nurseries was not lagged, so fewer children immediately resulted in less funding, meaning that nurseries did not receive the same protection as schools in terms of the lag nature of funding, all contributed
- for special schools, there was a lot of demand, however there were real challenges around inflation, support staff increases impacted special schools more than they impacted other sectors; also there were increasingly complex needs within special schools which needed broader services such as health
- at a recent meeting, officers had reported on a piece of work the local authority had undertaken with schools on understanding the level and types of need within schools and reviewing the overall funding levels and top-ups for those needs. This had resulted in some increased funding for some schools and a rolling-in of exceptional funding arrangements for individual students, because those arrangements were not exceptional, they were part of the profile of those schools.
- fewer special schools had struggled to balance their budgets this year, however their financial positions remained tight.
- For the high school sector, there are some schools that are particularly

impacted. The surplus in places is very small at high schools and a small number of schools received the impact of all the surplus places and also had a very high intake of in-year admissions and some of those families and young people had more complex needs so the range of support required and the schools' capacity to administer the continuous admission of students put a pressure on those budgets.

- a large proportion of schools used their surpluses to balance their budgets.

Invited by the chair, Ms Price went on to speak about the Clawback of Excess Surplus Balances as per section 3.3 and appendix 4 of the report, which was a decision forum was being asked to make. A member of the forum expressed the view that there should not be any clawback of excessive balances as the financial position of some schools was unclear in the current climate. Notwithstanding this view, the majority of forum members were in favour of applying the clawback.

The discussion turned to the National Funding Formula (NFF). Officers provided the following responses to questions from the forum:

- rolls in Ealing primary schools had been falling for the last five years which had not yet fed through to secondary schools; falling rolls in primary schools were expected to continue for some time.
- Ealing was currently a net exporter of pupils at secondary level, the falling rolls seen at primary may not necessarily have as big an impact at secondary level. There was an interplay between cross border movements and the popularity of schools in Ealing which would have a bearing on how much of an impact falling rolls would have at the secondary school level. Falling rolls may begin to have an impact at secondary level in the next five to ten years.
- Ealing Council did not currently have a falling rolls fund as part of its local formula, this was decided on an annual basis by the forum. The government had not provided falling roll funding in the past, only growth funding, so this was part of the new measures the government was introducing. Currently the criteria for a school to access falling roll funding was quite strict and only applied where rolls were expected to increase again within a three-year period, so it did not apply where the fall in rolls was more sustained.

Under the topic of the Dedicated Schools Grant (DSG) funding decisions to be made for 2024-25, section 3.5 of the report, officers reported that with respect to the Minimum Funding Guarantee (MFG), in 2023-24 the local authority had a MFG of 0% which was the minimum allowable. The number of schools protected by the MFG had now reduced to one school; the school funding consultation in the autumn term would ask schools where within the allowable range they wanted to set the MFG going forward.

Officers responded to questions from the forum as follows:

- whether the number of schools protected by the minimum funding guarantee could potentially increase once again in the future would

depend on the demographics of an individual school; the MFG did not protect schools in terms of changes to pupil numbers, however it did protect schools in terms of pupil-led factors, the average unit of funding based on the demographics of a school. For example, if a school had a major drop off in their deprivation factors, then one may see the MFG creeping back in. The MFG was now likely to remain at relatively small amounts, compared to the amounts available in previous years. If Ealing Council remained relatively close to the NFF, this was unlikely to widen in any material way.

The chair reminded forum members to look out for and to respond to the consultation that would be going out to all schools in the autumn term. He suggested the consultation could be discussed at quadrant meetings.

Ms Price reminded forum members that at a previous meeting of the forum (January 2023), members had decided to defer a decision on de-delegation of trade union functions so that it could be consulted on in the autumn. Options around trade union funding would therefore be included in the forthcoming consultation.

There was a plea from the forum for the consultation to be explained in clear terms so it could be readily understood and forum members were encouraged to publicise and discuss the consultation through their networks. Officers said they would try to make the implications of the decisions as clear as possible and that they would offer explanatory and Q & A sessions for schools virtually and in person.

Forum members suggested early signposting to the consultation and sessions around it would be helpful to encourage more participation from schools.

Ms Quinn said regarding next financial year, although it was early on, it would be helpful for schools to inform officers ahead of the consultation being drafted, if there were particular areas of focus or pressure that they wanted to be considered among the options; for example, the attendance service and SEND had been mentioned previously. Ms Quinn informed that if there was a degree of step change in the appetite of schools in certain areas, it would be helpful to know this before the local authority went out for consultation because otherwise officers would have to do a lot of informal consultation retrospectively.

Ms Quinn went on to say that for planning purposes, it would be helpful to know in advance if there were services that schools were no longer supportive of continuing at the current scale, so that officers could proceed with the staffing consultation and be able to reduce the level of spend before the budget dropped out. She said it would be helpful to know this before a formal decision was taken by the forum.

Ms Quinn said she and Ms Price were available to take comments outside of this meeting and that they would raise it through the regular heads' briefings.

The chair added that the local authority was not trying to sway the debate, it was setting out the case for and against various options.

With respect to early years funding, Ms Price advised that the updates to the funding allocations from the Department for Education were usually published late in the summer term. The local authority would have liked to be able to consult with schools and colleagues on early years funding allocations at the same time as the schools' consultation in October, however the government announcements were usually made later and so decisions on early years were likely to be brought to the January meeting of the forum. Before that, officers would provide updates on any government announcements at the November meeting of the forum.

With respect to the High Needs Block (HNB), the chair and officers responded to questions from the forum as follows:

- there was no aim to keep the High Needs Block in deficit, the practicalities were that the finances for this block were strained and that was likely to continue; it was incumbent on the local authority (LA) to manage that block effectively and forum decisions could affect how this block was managed
- the 0.5% transfer from the schools' block to the HNB was a decision for the forum, it would be crucial to understand the feedback from the consultation which would take place in October 2023
- there was a mechanism for an appeals process, which would close at the end of November, with respect to decisions regarding HNB, so if schools were minded not to agree to proceed, the LA could appeal to the secretary of state for education. The LA did not want to be in a position of dispute with schools that's why it was consulting, so that the pros and cons could be discussed in adequate time for the forum to feel comfortable in making a decision. The LA's proposition would be for the forum to continue with the maximum allowed, which is 0.5%.

There were no comments on the recommendations to retain 2022-23 DSG reserves for expected high needs deficits, commitments against the growth fund and other pressures related to future school organisation changes, nor on the DSG Outturn 2022-23.

On behalf of the forum, the chair thanked Rachel Kruger for her services and contribution as outgoing co-vicechair.

Resolved

That the Ealing Schools Forum:

- i. Note the update from the Assistant Director of Audit and Investigation (Appendix 1 to the report)
- ii. Note the level of school balances as well as loans and deficit agreements at 31st March 2023 (Appendix 3 to the report).
- iii. Agree the proposed plan of action the Forum wishes to take where schools

have excessive surpluses, including applying a clawback mechanism as recommended at option 1 in section 3.3 and (Appendix 2 & 4) in the report.

- iv. Agree to retain 2022-23 DSG reserves for expected high needs deficits, commitments against the growth fund and other pressures related to future school organisation changes.
- v. Note the update on the National Funding Formula (NFF) and the outcome of the government consultation about their approach to implementing the direct NFF.
- vi. Note the summary of Dedicated Schools Grant (DSG) funding decisions to be made for 2024-25 and provide initial feedback on these services to assist in the Local Authority's planning (Appendix 5 to the report):
 - De-Delegation
 - Retained Duties
 - General Duties
 - Historic Commitments
 - Central Schools Block Commitments
- vii. Note an update on Early Years, and the Early Years National Funding Formula (EYNFF) for 2023-24 and 2024-25.
- viii. Note an update on high needs funding pressures and provide feedback on whether the Forum is minded to continue a 0.5% transfer from the School's Block to the High Needs Block.
- ix. Note DSG Outturn 2022-23.

10 Date of Next Meeting

Resolved:

That the Ealing Schools' Forum notes the next meeting will be held on Wednesday 29 November 2023.

Meeting commenced: 6.00 pm

Meeting finished: 7.06 pm

Signed:

P Adair (Chair)

Dated: Wednesday, 29 November
2023