

# GATESHEAD METROPOLITAN BOROUGH COUNCIL

## GATESHEAD SCHOOLS FORUM MEETING

Thursday, 8 July 2021

### PRESENT:

|                    |                                   |
|--------------------|-----------------------------------|
| Ken Childs (Chair) | Special Schools Governor          |
| Peter Lague        | Trade Union Representative        |
| Jacqui Ridley      | Primary Governors                 |
| Denise Kilner      | Nursery Sector Representative     |
| David Brophy       | Secondary Academy Governors       |
| Julie Goodfellow   | Primary Academy Headteachers      |
| Steve Haigh        | Secondary Academy Headteachers    |
| Ethel Mills        | PVI Sector Representative         |
| Andrew Ramanandi   | Primary Headteachers              |
| Michelle Richards  | Special School Headteachers       |
| Domenic Volpe      | Maintained Secondary Headteachers |
| Christina Jones    | Pupil Referral Unit               |
| Sarah Diggle       | Secondary Maintained Governors    |

### IN ATTENDANCE:

|                   |                   |
|-------------------|-------------------|
| Cllr Gary Haley   | Gateshead Council |
| Carole Smith      | Gateshead Council |
| Steve Horne       | Gateshead Council |
| Rosalyn Patterson | Gateshead Council |

### 1 APOLOGIES

Apologies for absence were received from Brendan Robson, Andrew Fowler, Cllr Shiela Gallagher, Mustafaa Malik, Alison Hall, Clive Wisby and Martin Flowers.

### 2 MINUTES

The minutes of the meeting held on 13 May 2021 were agreed as a correct record.

### 3 SCHOOL BALANCES

Schools Forum received a report outlining the movement of school balances for the financial year 2020/21 and the number of schools in a deficit position at the end of the financial year.

It was reported that at 31 March 2020 maintained schools held total revenue balances of £5.48m, this has increased to £8.91m as at 31 March 2021.

Work has been undertaken to better understand where this increase has come from. Areas such as reduction; of transport costs, supply of services, SLA reductions and premises costs, all as a result of Covid closures, were identified as contributing towards the increase in revenue balances. In addition, there has been an increase

in funding and Covid grants, however it was acknowledged this is a complicated picture.

It was questioned as to why 5 schools have had an increase in a deficit balance. It was confirmed that this is mostly due to a reduction in pupil numbers.

Concerns were raised around the funding of the Covid recovery in the longer term. It was acknowledged that this is a regional concern and that it is hoped this will not be used against schools going forward. The point was made that some spending should be accelerated so that it is not being held and therefore used against schools. It was also suggested that a coordinated approach across the region be taken to determine the cost to schools of Covid recovery. The point was made that Schools North East is lobbying Government, however this is not coordinated with LA's.

RESOLVED - That Schools Forum noted;

- (i) The value of maintained school balances and the in-year increase of balances by £3.43m to the year-end value of £8.91m;
- (ii) the number of schools with a deficit balance at the end of 2020/21; and
- (iii) the decrease in the value of deficit balances at the end of 2020/21.

#### 4

#### **DSG OUTTURN**

The Forum received a report outlining the provisional outturn position of DSG for 2020/21.

It was reported that the final outturn position is £104.362m against the budget of £105.590m; an underspend of £1.227m. This relates primarily to the final outturn on alternative provision and top-up funding being less than previously projected resulting in an underspend of £0.569m on HNB. There was also a reduction in Early Years spending resulting in overfunding of £0.318m on statutory nursery entitlement in PVIs and nursery classes in schools.

It is expected there will be Early Years clawback in July 2021 and an adjustment to the 2020/21 Early Years funding due to a reduction in the numbers of 2,3 and 4 year olds eligible for statutory nursery provision in the January 2021 census.

It was suggested that the underspend on top ups is due to less numbers in alternative provision, however it is expected that it will face huge demand in the next year. It was noted that DfE require schools still be paid even if pupils are not in the setting.

Concerns were raised around the long-term impact of Covid on pupils and that this should continue to be monitored.

RESOLVED - That the Schools Forum noted the content of the report.

## **5 SCHOOLS FORUM MEETINGS**

The Forum received a report confirming the discussion which had taken place at the last meeting around the nature of future meetings.

RESOLVED - That all meetings be held remotely unless there is a requirement for an in-person meeting.

## **6 EARLY YEARS INCLUSION FUND**

The Forum received a report on the allocation of Early Years Inclusion Fund (EYIF) to settings and the consultation document.

It was reported that originally applications had to be made on a yearly basis, this became laborious for not a lot of funding therefore officers looked to allocate the funding in a more formulaic way and thus offering more stability to schools.

The proposal is therefore to hold a small amount of funding for providers with new and emerging pupils and use ACORN funding to allocate.

If agreed by Schools Forum the consultation will be sent to settings tomorrow so that allocations can be made early in the Autumn term.

RESOLVED - That the Schools Forum approved the proposed model with the outcomes shown in appendix 1, and reviewed and approved the consultation document for all settings in appendix 2.

## **7 SCHOOLS IN FINANCIAL DIFFICULTY**

A report was presented to the Forum on the reinstatement of the Schools in Financial Difficulty Procedure which was suspended in 2017.

It was noted that the reintroduction of the procedure comes at the request of Gateshead Council as there are a number of small schools with difficulties such as falling rolls, children requiring additional support and leadership issues.

Therefore it is proposed to use DSG reserves to fund Schools in Financial Difficulty as the LA is prohibited from writing off school deficits.

The point was made that Budget Officers work with these schools to help but there is also a balance between keeping pupils safe and the finances.

It was questioned as to why this procedure was suspended in 2017. It was confirmed that this was because there was no allocated funding and the Forum agreed to suspend it.

The point was made that consideration should be given to the viability of these schools. It was confirmed that this is something which the Council is continually

doing. The point was also made that such pupils could be distributed to other schools to make further savings on buildings etc. It was noted that a lot of schools in financial difficulty have had a change of leadership and found themselves in these historic situations.

The Forum was reassured that the Council is continually looking at school capacity across the medium and long term.

RESOLVED - (i) That the Schools Forum agreed the procedure be updated with the input of Schools Forum and other stakeholders.

(ii) That the funding allocated is from DSG reserves.

## **8 USE OF DSG RESERVES**

Forum received a report requesting the use of DSG reserves to rectify incorrect opening balances 2020/21.

It was reported that some maintained schools balances were calculated before the accounts were closed, therefore, new transactions went through due to timing issues as a result of Covid which were not accounted for in the schools balances.

It was questioned whether this would be paid back. It was confirmed that this was transactions that were not known about as the close down of accounts was very late.

RESOLVED - That the Schools Forum approved the use of a small amount of DSG to support schools that will see a reduction in their balances brought forward due to a budget load error for 2020/21.

## **9 GROWTH FUND**

Schools Forum received a report confirming the rejection of an application for Growth Funding for Ravensworth Primary School.

It was noted that in order to meet the Growth Fund criteria there must be an increase of more than 16 pupils or a 10% increase in pupil numbers. Although this is a growing school it did not meet the threshold and the application was turned down.

RESOLVED - That the Schools Forum noted that the application for Growth Funding has been turned down and the school has the right of appeal to a Subgroup of Schools Forum.

## **10 FREE SCHOOL FUNDING**

A report was received on the work being undertaken to support the new XP Gateshead Free School that will be opening in September 2021.

Work is ongoing with the DfE around funding and a methodology has been agreed.

It was reported that the funding will be recouped from the Schools Block of Gateshead's DSG and it is proposed that the recoupment and any application for growth funding be provided from the Growth Fund.

It was questioned whether this will be a regular request. It was confirmed that this would not be the case as next year XP will have 100 pupils so the numbers in the APT will be amended accordingly and the school would be funded through the APT, therefore this is a one-off request.

It was queried what start up funding has been provided to XP. It was noted that officers are not privy to this information.

RESOLVED - That the Schools Forum noted the information in the report and approved that any recoupment and Growth Fund allocation be funded from the Growth Fund.

## **11 ANY OTHER BUSINESS**

This was the last meeting of the current Chair and on behalf of the Forum the Vice Chair gave thanks to the Chair for his hard work and professionalism and wished him well for the future.

## **12 DATE AND TIME OF NEXT MEETING**

The next meeting will be held on Thursday 30 September at 2pm.