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Northumberland County Council

Your ref:

Our ref:

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Date: 30 June 2021

Dear Sir or Madam,

A virtual meeting of the **SCHOOLS' FORUM** will be held on **WEDNESDAY, 7 JULY 2021** at **9.30 AM**. You will be sent a link to the meeting and I would be grateful if you could accept or decline the invitation accordingly.

I remind you that if you are unable to attend, you should arrange for an appropriate substitute to attend on your behalf. Alternatively forward any written representations to me in advance.

In the current situation can I ask that Forum members read all papers prior to the meeting and forward any questions or contributions to me in advance of the meeting, however, we will do everything possible to take comments at the meeting too.

Yours faithfully

Lesley Little
Clerk to the Forum

To: Members of the Schools' Forum

**Copy to Cath McEvoy-Carr, Executive Director of Children's Services and Councillor
Guy Renner-Thompson**

AGENDA

It is expected that the matters included in this part of the agenda will be dealt with in public.

		Decision/Consultation/ Information/Action
1.	MEMBERSHIP AND MEMBERSHIP UPDATE	Information
2.	APOLOGIES FOR ABSENCE	Information
3.	DISCLOSURES OF INTERESTS (IF ANY)	Information
4.	MINUTES AND MATTERS ARISING (Pages 1 - 10) Minutes of the meeting of the Schools' Forum held on Wednesday 24 February 2021, as circulated, to be confirmed as a true record, and signed by the Chairman.	Action
5.	COMMUNICATION (Pages 11 - 22) HN Committee Minutes 10 March 2021; HN Committee Draft Minutes 23 June 2021	Information
6.	SCHOOL FORUM OPERATIONS AND GOVERNANCE To follow	Information
7.	2020/21 DEDICATED SCHOOLS GRANT (DSG) OUTTURN To follow	Information
8.	MAINTAINED SCHOOL BALANCES AS AT 31 MARCH 2021 (Pages 23 - 26)	Information
9.	SEN UPDATE : NORTHUMBERLAND INCLUSIVE EDUCATION SERVICE (NIES) (Pages 27 - 30)	Information
10.	SCHEME FOR FINANCING MAINTAINED SCHOOLS 2021/22 (Pages 31 - 70)	Information/ Consultation
11.	2021/22 WORK PROGRAMME AND MEETING DATES (Pages 71 - 72)	Information
12.	ANY OTHER BUSINESS	Information /Action
13.	DATE OF NEXT MEETING The next scheduled meeting of the Schools' Forum is Wednesday 29 September 2021	Information

NORTHUMBERLAND COUNTY COUNCIL

SCHOOLS' FORUM

At a virtual meeting of the Schools' Forum on Wednesday, 24 February 2021 at 9:30 am.

PRESENT

C Pearson (in the Chair)
Trustee, Three Rivers Learning Trust

Headteacher Representatives

M Deane-Hall, Wooler First	N Rodgers, James Calvert Spence
A Mead, Cramlington Hillcrest	F Hartland, Kielder Primary and
Ben Ryder, Berwick Middle	Nursery
Neil Rodgers, James Calvert Spence	

Governor Representatives

K Faulkner, Collingwood School and Media Arts College	B Watson, St Robert's RC First
S Heminsley, Newbrough CE Primary	I Walker, Duchess' High
	G Wilkins, St Wilfrid's RC Primary

Academies Representatives

S Wild, NCEA Castle
Alan Hardie NCEA Trust
Darren Warburton, on behalf of A Thelwell Bede Academy

Early Years' Representative - Vacant post

Trades Union Representative - R E Woolhouse

16 - 19 Provider of Education Representative - Not present

Northumberland County Council Elected Member - Councillor G Renner-Thompson

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OFFICERS IN ATTENDANCE

S Aviston	Head of School Organisation and Resources
S Barron	Head of SEND Strategies
A Kingham	Interim Director of Education and Skills
K Norris	Democratic Services Officer
B Parvin	Education and Skills Business Manager
C Ponting	Senior Manager, Schools HR
A Russell	Principal Accountant
D Street	Deputy Director of Education

82. MEMBERSHIP AND MEMBERSHIP UPDATE

82.1 Membership was being reviewed and a report would be brought to July's meeting.

83. APOLOGIES FOR ABSENCE

Apologies for absence were received from G Atkins, A Thelwell and D Wylie. It was noted that D Warburton was attending in place of A Thelwell.

84. MINUTES AND MATTERS ARISING

RESOLVED that the minutes of the meeting of the Schools' Forum held on Wednesday, 13 January 2021, as circulated, be confirmed as a true record and signed by the Chair.

Matters Arising:

- 84.1 Minute 77.1: There was no further update available in respect of the retrieval of public money from Bright Tribe.
- 84.2 Minute 78.2: The Chair thanked members for comments they had put forward and passed on thanks conveyed from the f40 group. He also commended officers for their assistance in collating responses.
- 84.3 Minute 79.7: The school organisation plan was due to go to Family and Children's Overview and Scrutiny Committee the following week and a report would be brought to Schools' Forum in July.
- 84.4 Minute 79:32: Mr D Street, Deputy Director of Education, provided some verbal feedback on how COVID had impacted on the Early Years (EY) Sector.
- Support for the EY Sector had, in general, been through the school support mechanism.
 - 108 schools had nursery aged children on their roll and in addition there were 274 private providers. The support network for them had been directed through the EY team and each of the 274 providers had been provided with a direct buddy specifically for COVID issues.

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- There had been distributions of PPE to each setting with the possibility of more as needed.
- A significant amount of work had been done and support provided for the EY sector to open in a COVID safe manner and to keep environments safe. Handwashing, ventilation and more regular cleaning operations were in place but in this sector social distancing was not possible.
- In terms of additional support, through the summer and autumn terms of 2020 funding was based on funding from previous years regardless of whether the facility was open or closed throughout the period. There were also opportunities to apply for additional funding should the setting be different to previous years. This was in line with National and Council policy.
- Spring term funding would return to a census basis whereby funding would be provided for children attending the school or setting. This was related to the expectation that from 1 January 2021 EY Sectors should have all children in attendance.
- A business paying business rates could apply for a £10,000 grant but not all EY settings paid business rates and most childminders did not. Following that, two rounds of grants were available for PVI's of £5,000, the criteria for which had been relatively straight forward. Grants of £500 had been available to childminders in order to reflect differences in business sizes.
- Community testing centres had been set up across the county but availability remained a challenge, however, following Monday's announcement, home testing kits would soon be provided for the PVI sector.
- The Council had a statutory duty to ensure sufficiency of childcare (ages 0 – 8). Currently demands were being met with some occasional additional support required.
- There had been lower numbers of children in funded education but this term there was 90% of the usual uptake.
- The take up for two-year-olds was considerably less and this was of concern as it was mainly for disadvantaged families. In terms of private provision, it was assumed these numbers were also down but could have been made up by changing the model in order to attract other income streams.
- There had been closures and retirements but some businesses had been struggling previously and COVID had exacerbated this. There had also been some new businesses starting up.
- The concern going forward was around provision for two-year-olds and if this would return when demand increased. The situation would be monitored.
- Funding in the EY sector was always tight but it had the benefit of a flexible workforce.
- Further information would be presented in Agenda item 6.

85. COMMUNICATION

- 85.1 Mr B Parvin, Education and Skills Business Manager, referred to information circulated by the DfE in relation to the review of the National Funding Formula

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(NFF) for allocations of High Needs funding. A 41-page consultation document was included (a copy of which is attached to the signed Minutes as agenda item 5). Members were advised that the consultation had been launched on 10 February and would close on 24 March and if they had any comments to make in response, they should contact either Mr Parvin or a member of the High Needs Subcommittee for discussion at the next meeting of the High Needs Subcommittee on 10 March.

- 85.2 In response to a question as to why this consultation had come about, Mr Parvin said there were several possibilities including issues around deprivation regarding the review of IDACI which had now fed through to the formula; some coverage in terms of free school meals; significant pressures on High Needs, or the significant additional investment made in High Needs.
- 85.3 As to whether this was good news for Northumberland, Mr Parvin remained cautious stating there was still a reluctance from the DfE to reflect High Needs plans as an element within the formula. Hopefully there would be additional funding to reflect Northumberland's needs and this would be set out in the consultation response.
- 85.4 Mr Wilkins, Chair of the High Needs Subcommittee, urged all members of the Schools' Forum to complete the consultation document if possible and reiterated that any comments or concerns should be forwarded to Mr Parvin or himself so that they could be discussed at the High Needs Subcommittee on 10 March.

86. **SETTING THE DEDICATED SCHOOLS GRANT (DSG) 2021/22**

- 86.1 The purpose of the report was to inform Schools' Forum of the estimated overall DSG for 2021/22 as notified to Northumberland by the Education and Skills Funding Agency (ESFA) and the proposed allocation of funds within the four DSG Blocks. (A copy of the report is filed with the signed Minutes as agenda item 6.)
- 86.2 Due to Mr Street having to leave early for another engagement, the Chair advised members that Section 6, Early Years Block, as set out on page 5, would be discussed first.
- 86.3 Mr Street said, historically, Northumberland had been amongst the lowest funded authorities for Early Years (EY). The total hourly rates had always been at the national minimum and this continued. Northumberland had therefore started from a very low base and although rates had begun to rise they were still significantly behind other parts of the country who were looking at £6 and £7 per hour (3 and 4 year old rate) as opposed to Northumberland's rate of £4.44. As much as possible was passed directly to the providers with the authority retaining around 3.7 to 3.8%, well under the maximum permitted of 5% to enable the EY Team to provide additional support where needed.
- 86.4 Officers had looked at how to maximise the funding rates, a full breakdown of which was provided in the annexes at the end of the report. Initially an estimated figure

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was received but because the final allocation would be based on what was received in January this year, the figure may be less than the £17.5 million predicted.

- 86.5 The funding rates proposed for 2021 were set out in the Table on page 6 of the report. Although the total figure for the 3 and 4 year old rate was £4.44, it was proposed to pass on £4.24 to the providers; for 2 year olds the pass on rate was 100% and this had increased to £5.36; the Early Years Pupil Premium was fully passed on at 53p per hour and an additional 75p deprivation payment was included in the formula to make it a Pupil Premium Plus figure.
- 86.6 The proposal was to directly pass on the 6p uplift for the 3 and 4 year old rate and directly pass on the 8p uplift for the 2 year old rate. Everything else would remain much the same.
- 86.7 In response to a question about differences in funding throughout the country and if some Councils supplemented the budget, Mr Street said funding was from central government and was paid direct into the EY Block but some areas received a higher rate. There was a National Funding Formula which considered area cost adjustments and although Mr Street had queried the definition of area cost adjustments on several occasions, he had not received a satisfactory explanation.
- 86.8 In terms of potential problems next year regarding the 90% figure, Mr Woolhouse queried if Schools' Forum could do anything to help. In response Mr Street said discussions were currently taking place with the DfE regarding the financial allocation for next year and once the final position known, he would come back to the Forum about this. He acknowledged that it would be useful for Schools' Forum to highlight the disparity and difference in rates as this was a long-standing issue.
- 86.9 Mr Parvin then summarised key issues from the beginning of the report stating that, at this point, members were being asked to agree the overall individual elements of the DSG as far as possible noting the discussions around EY where the figures would be amended according to the January census information. The two-step approach towards the adoption of NFF figures had previously been highlighted, as set out at the bottom of page 1. Schools' Forum had long been an advocate of a smooth transition to NFF and hopefully this would help to achieve that.
- 86.10 As discussed at the last meeting there was a slight difference in the final funding figure resulting in £202.1 million for distribution compared to £201.8 million used for modelling. Careful consideration had gone into how that funding should be used and some minor amendments had been made in order to fully allocate funding and maximise beneficiaries.
- 86.11 The first area was in relation to the Free School Meals (FSM) factor which had been increased from £510 to £570 per pupil across both primary and secondary. This had also been part of a wider decision taken by the EFSA in relation to the distribution of Pupil Premium whereby October census figures would be used, and these would also be used for the subsequent funding formula. If FSM figures were stable that would not present an issue but because of the impact of COVID there

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had been a steady increase in FSM figures over the last 3 months and in respect of that it seemed appropriate to increase that formula factor. Further information was provided in the link on page 2 of the report.

- 86.12 The second area was a more general factor given that Northumberland was moving towards NFF. Members would be aware that capping and scaling had been used to maintain some of the formula factors previously and figures had originally been set at 4% for capping and 50% for scaling. In the overall funding package, the threshold had been increased to 4.65% for capping enabling schools to retain more funding before scaling applied.
- 86.13 Following comments from the Chair, Mr Parvin emphasised that the change regarding the FSM factor was a one-off change for this year because of the late change to the Pupil Premium factor. Any changes to FSM in the future or any decision to maintain an FSM value at levels above NFF would be subject to affordability.
- 86.14 Confirmation had been received that the EFSA had agreed the approach and submission of the formula for the values submitted and the formula factors were set out in Table 1 on page 4 of the report.
- 86.15 Reference was made to paragraph 4.3 of the report which stated that, although originally there had been no intention to allocate funding to the growth fund during the 2021/22 financial year, as catchment needs emerged discussions were taking place in two areas about pressures within year 5 in Morpeth and year 7 in Bedlington. There needed to be sufficient provision within schools for the catchment area and it had been necessary to set aside figures in relation to potential demand in that respect. Discussions were ongoing with the schools involved and it was hoped to make an early decision, however, the agreement of partner schools was needed. It was confirmed that any changes and allocated funding would be from September 2021.
- 86.16 The draft budget funding statement had been circulated to seek members' comments in relation to format. It was hoped to add a one-page covering letter to highlight some of the discussions held at Schools' Forum and some of the decisions taken when moving towards NFF in order to provide some context to schools. Once finalised it would be circulated to schools within the next few days.
- 86.17 In response to a question from Mr Deane-Hall, members were advised there had been a technical problem regarding the recording of sparsity figures but sparsity had been allocated and the final figures would reflect that.
- 86.18 In terms of the High Needs Block, the deficit had been consistently reduced over the last 3 years and reference was made to Appendix B which set out the proposed budget for 2021/22. Regarding funding, £41,902 million was the total gross allocation from which two deductions were immediately made - £2,152 million for placements in further education and for other providers supported directly by the EFSA and £1 million in respect of a net export of students. Following the transfer

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from the Schools Block to the High Needs Block this left £39.3 million to allocate, details of which were highlighted in blue and green.

- 86.19 Mr Parvin said it was important to point out that without the transfer from the Schools Block there would be a deficit of just over £1 million including the brought forward deficit which, when adjusted, reduced to just over £414,000. This was a significant challenge for the Council in working out how to close the gap and provide a balanced budget for 2022/23 on an ongoing basis. Importantly there was a much-reduced deficit of £45,000 at the March 2022 forecast position but again the contribution from the Schools Block was a major factor.
- 86.20 In response to a question Mrs A Kingham, Interim Director of Education and Skills, said it was too early to reflect on challenges for 2022/23. The Deputy Director of Education and herself were working with schools to consider priorities around the High Needs Block to ensure children got the best available package, hopefully within the county with some specialist post 16 provision from outside if needed. Work was being carried out with the SEND Team and Commissioning Team in this regard.
- 86.21 The Chair queried if the import/export adjustment was likely to reduce when the new free school opened. In response Mr Parvin said it was hoped that a reduction would be seen but it would take time. The opening of the new free school would provide alternative placement options next year but a child would not be moved out of their current educational placement to a new one without good reasons. Changes would take place over time so that more pupils were placed in borough in appropriate education and then a longer-term reduction would show in the import/export figure.
- 86.22 Members were advised that there was currently a SEND Strategy document out for consultation which was due to close on 18 March. Direction of travel around SEND was linked with the funding so if members wished to make any contributions to the consultation it could be found on the Council's website. The High Needs Subcommittee would be able to respond to this when it met on 10 March.
- 86.23 In terms of the Central Schools Services Block, following a challenge to the EFSA further funding had been secured for historic commitments in relation to Prudential Borrowing and Termination of Employment Costs and that had now been reflected in the figures. Implications of this would continue to be assessed, one of the pressures being around the long-term capital costs, the long-term impact of which would need to be managed.
- 86.24 Appendix A provided a final breakdown of the DSG allocation for 2021/22 including the De-delegation summary. Appendix B set out the High Needs budget and Appendix C showed the proposed use of the Central Services Block and how that was funded.
- 86.25 The Chair said this had been a huge task and thanked all those involved for bringing it to a conclusion.

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86.26 Members agreed the recommendations as set out in paragraph 2 of the report.

AGREED that Schools' Forum note the following information:

1. The proposal for the Schools Block formula values and the resulting 2021/22 School Budget Shares, in line with the Cabinet decision of 12 January 2021 including the delegation of the approval of the final formula values to the Executive Director of Adult Social Care & Children's Services and the Lead Member for Children's Services and Deputy Leader of the Council in line with the principles agreed at Schools' Forum on 18 November 2020.
2. The 2021/22 High Needs Block Budget including the ongoing pressures identified with High Needs.
3. The proposed values in relation to the 2021/22 Early Years budget.
4. The 2021/22 Central Schools Central Services Budget.

87. 2020/21 WORK PROGRAMME AND MEETING DATES

- 87.1 The work programme and meeting dates (including dates for the High Needs Subcommittee) were attached for information at Agenda Item 7 (a copy of which is filed with the signed Minutes). Reference was made to the meeting of the High Needs Subcommittee on 10 March which would be looking at the DfE consultation around the formula, the local consultation around the SEND Strategy and other elements.
- 87.2 Mr Parvin advised members that specific legislation required to hold virtual meetings of the Schools' Forum was only applicable until 31 March 2021. He anticipated this date would be extended but was awaiting EFSA guidance. It was acknowledged that the virtual format had proved extremely convenient for some members and, as requested, representations would be made to the EFSA for it to continue. The possibility of having a blended format with some members attending in person and some virtually would also be explored. Mrs Aviston added that guidance for school admission appeals had been received yesterday and virtual meetings would continue so she anticipated that guidance for Schools' Forum would follow shortly.

88. ANY OTHER BUSINESS

88.1 Return of 2020/21 De-Delegated Funding to Maintained Schools

- 88.2 Mr Parvin apologised to members for not circulating the above report in advance of the meeting but said it was part of the financial monitoring position in respect of the de-delegated funding. There had been very little demand on the contingency school reorganisation budget and there was a significant balance on contingency funding. It was therefore proposed that this would be refunded to maintained school

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members as set out in paragraph 4 of the report which he presented on screen and would be circulated to members following the meeting.

- 88.2 It had been agreed at January's meeting that de-delegated funding be reduced in relation to behaviour support funding for 2021/22 so there was less money being deducted at source from school budgets. Historically there had been a £20 deduction in relation to potential costs arising from reorganisation.
- 88.3 The report had been brought to this meeting specifically as it was considered important to return the funding to schools before the end of March so it would be reflected in the end of year school balances. This would not affect 2021/22 de-delegation decisions which would be reviewed at a later date. It would be refunded on a £20 per pupil basis and would have more of an impact on larger schools in line with how the deduction had been made initially.
- 88.4 Mr Parvin highlighted that academies did not have de-delegated funding deducted from them by the Authority so this did not affect them with the exception of those schools that had academised during 2021 who would receive a pro-rata refund of their contributions.
- 88.5 Appendix A set out a list of schools and showed the impact of the refund.
- 88.6 The Chair thanked Mr Parvin for the report and said this would be a welcome bonus for the schools involved.

89. DATE OF NEXT MEETING

The next meeting would take place on Wednesday, 7 July 2021 at 9:30 am.

CHAIR _____

DATE _____

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Northumberland County Council

Wellbeing and Community Health Services Group

Education and Skills Service

Meeting: High Needs Sub Committee of the Schools Forum
Date: Wednesday 10 March 2021
Time: 9.30am
Venue: Virtual Teams Meeting

<p>Present: Sue Aviston Head of Schools Organisation and Resources Sam Barron Head of SEND Strategies Keith Faulkner Vice Chair and Governor at Collingwood Andrea Mead Headteacher Hillcrest Bruce Parvin Education & Skills Business Manager Colin Pearson Trust Director, 3 Rivers Trust</p>	<p>David Street Deputy Director of Education Nicola Taylor Head of Inclusive Education Services Sara Wild Headteacher – NCEA Castle Special School Graham Wilkins Chair and Governor at St Wilfrid’s RC Primary School Deborah Wylie Headteacher – Cramlington Village Primary School</p>
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Notes Lisa Headington

Start time:		Action:
1.	Welcome and Introductions	
2.	In Attendance See above	
3.	Apologies: Suzanne Connolly and Emma Miller.	
4.	Declaration of personal or pecuniary Interest in any agenda item. No declaration of pecuniary interest declared by members other than AM and SW who benefit from the High Needs on a daily basis for their funding. BP agreed and commented as do mainstream schools but the point was duly noted.	
5.	Minutes of the previous meeting/Matters arising from Previous Minutes: Page 1, .4 Terms of Reference – SA confirmed she had taken CP’s comments forward to the Director about the purpose of the HN Committee and has sent confirmation direct to CP and confirms the remit of the group is to stay as it is. As an authority we are looking to set up a Education Improvement Board and there will be an opportunity to look at the wider strategy and this is why this group is being set up. The groups under Schools Forum are very much focused on funding but will be looking at	

	<p>getting a representative from Schools Forum onto the Education Improvement Board which is currently being established.</p> <p>.5 Membership update, BP confirmed we would consider anyone that is interested in terms of representing the schools. We asked at the beginning of the September term and haven't had any further expressions of interest since AM and SW joined .</p> <p>With Marianne stepping down it was suggested that we may send another appeal out in the summer term to see if we have any more interest.</p> <p>Page 3, 8. Bruce confirmed the action to ESFA presentation videos that he will need to check if available and share with members if possible.</p> <p>Minutes were reported to Schools Forum also.</p> <p>All agree the minutes as a true record by those present at the last meeting.</p>	
6.	<p>NORTHUMBERLAND DRAFT SEND STRATEGY CONSULTATION</p> <p>SB updated members about the Draft SEND Strategy Consultation which is going to be the Strategy for the next three years.</p> <p>It has been informed by the voice of children and young people particularly for the COVID survey which happened last summer.</p> <p>It has some basic principles that underpinned the recommendations in there and they are around having the child in the centre of processes, focusing on improving outcomes whether they are educational, health, or social care outcomes.</p> <p>The broad areas are, working together, early identification and inclusive education provision as well as preparation for adulthood.</p> <p>Actions gathered around 4 key priorities:-</p> <ol style="list-style-type: none"> 1. Working together - strengthening our coproduction, around our local offer, it is about our joint commissioning and its about how services across education and health and social care effectively work together 2. Providing the right support at the right time - STAR funding is in there and to look at how we can provide support to inclusive practices to support the graduated approach 3. Review of our short breaks which is being undertaken and looking specialist capacity. From an inclusive education point of view it is around raising attainment for children and young people with SEND and also around developing a inclusion charter which is something that is being explored at the parent/carer forum coming out to schools for he consultation. 4. Preparation for adulthood - we know that some children find it difficult leaving school and becoming an adult and it is how we better wrap around our services and support around the young 	

	<p>person to support them into adulthood. Part of this is looking at our education pathways to employment and apprenticeships and looking at how we support children and young people to become independent or as independent as possible.</p> <p>Out for consultation until 19th March 2021. We have a number of people using the online link and have had quite a lot of schools and partners emailing with comments which are being centrally collated.</p> <p>All feedback is welcomed. SB was requested to report back to members at the next HN meeting on the 12th May 2021.</p> <p>KF raised queries in relation to the lack of any references to Ofsted, the breakdown of the EHC population and the source of the images used.</p> <p>SB thanked KF for his comments and confirmed in terms of the photographs they are stock photographs that are shared and are looking at whether we can strengthen this and see if we can have photographs from local children and young people.</p> <p>BP confirmed around the numbers referred to page 8 of the document, the numbers do not add up to 100% simply because they do not represent 100% of the Northumberland children and young people with EHCP's. There are a number that are at pre-school provision and also a number of Post 16 students which will account for the difference in numbers.</p> <p>DW commented how visually appealing and accessible the document is and helpful for the families to understand the content. DW also flagged up about the photographs used for the document that it is great to see great quality visual but requested whether could have some mainstream as well as specialist provision reflected.</p> <p>DW asked about the early years position in terms of the funding and what umbrella that comes under as it is treated separately and couldn't easily see in terms of what specifics we have in terms of early years and noted it is referenced a little in pre-school education on the high needs budget. Not sure if there is an alignment. DW also queried about the Ofsted agenda and did not know if it would be of value to have something in that to raise the profile of that. DW thanked SB for the document.</p> <p>CP commented positively on the document and asked what the links would be between the governance structure at the end of SB's document and this new educational board.</p> <p>DS confirmed the Northumberland Educational Strategy Board is new so once running with it, it will be represented across all education areas.</p> <p>SB confirmed there will be undertaking a review of our governance to ensure it is providing enough challenge and assurance around progress being made.</p>	<p>SB</p>
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	<p>SW commented that she liked the presentation and will provide a written response. SW queried a point about section 5 SEND localities areas, SB confirmed that this is actually an error and this will subsequently be corrected</p> <p>SW also asked about the needs for children who were being educated “out of county” or in the independent and non-maintained sector.</p> <p>SB confirmed helpful point and will look at in the light of the strategy there is so much you can put in there but needs to be readable and accessible and having the key points.</p> <p>In support of SB, SA commented the overall document is around the strategy and the future vision, similar to the School Organisation Plan. This is updated on an annual basis .</p> <p>GW requested a copy for members of the committee for information. This would be shared with members.</p> <p>AM commented about the images and suggested that children with hidden disabilities also needed to be represented. SB confirmed this would be considered to ensure appropriate representation as would the balance of boys and girls images as well and ages so will take on board. Agreed that it is important that the document is reflective of the whole SEN population</p> <p>The document was positively received and all were encouraged to submit comments.</p>	<p>SW</p> <p>LH</p>
<p>7.</p>	<p>ESFA HN FORMULA CONSULTATION</p> <p>BP presented a presentation to members about the Review of National Funding Formula for High Needs Allocations and asked members to consider the overview.</p> <p>February 2021 consultation is stage 1 of a 3 part process</p> <p>The consultation is looking at short term potential improvements to the formula for 2022/23 and 2021/22 is now settled. Looking essentially at the next funding year available.</p> <p>This will be influenced by the wider SEND review which the DFE concedes hasn't proceeded quite as quickly as would due to COVID, anticipating a draft consultation this spring/summer and there will subsequently be further consultation on changes of high needs funding stemming from the SEND review and findings relating to that.</p> <p>Current consultation highlighted to members including some aspects of the longer term review. The consultation document outlined the potential impacts across all authorities of a shift in the baseline for 2017/18 from the used of estimated to actual expenditure.</p>	

	<p>BP went through the consultation questions and sought the views of the Committee</p> <p>SB commented that the DfE do have a point around how EHCP's are used, some LA's have very low numbers compared to the size of their population but that is the way they have applied the criteria and also they have redirected finance and funding to the SEN support level so expenditure does not always relate directly to EHCPs.</p> <p>The consultation closes 24th March 2021, and comments were welcomed.</p> <p>CP commented that he had read the document and appreciated the assessment and queried the timing of this in the context of the SEND review. BP commented hoping there will be more information around this in the SEND review.</p> <p>SB understanding is that the SEND review will have a significant focus on SEN support and the graduated response and on inclusion. It is going to be largely focused around strengthening that early identification and support, providing very specific requirements for schools.</p> <p>BP commented that it may be an appropriate proposal on behalf of the board and would factor in, in terms of the inclusion data around SEN support measured in school census through K codes as well as plan data as a fuller picture of SEN needs and requirements maybe we should reflect that in a written response.</p> <p>It was agreed the inclusion of SEN Support data (School Census "K" code) could mitigate this and there was a case for considering this as an element in the Formula.</p> <p>CP asked about the inclusion of alternative provision in SEND funding.</p> <p>BP indicated the areas were often linked and we have a number of alternative providers under our framework that will be working with excluded pupils and SEN pupils.</p> <p>NT commented there is lots of reasons why young people end up in alternative provision but there is a growing concern sometimes youngsters end up in alternative provision because of an unmet SEN need that has not been identified early enough and the symptom of that is the behaviour which leads to exclusion and there is a rational around the linkage.</p> <p>All agreed for BP to draft a response and share it with the committee first for any final comments prior to submission before the final date of 24th March 2021.</p>	BP
8.	<p>2021/22 HN BUDGET</p> <p>GW asked for comments on this item for those that have not seen it at Schools Forum.</p>	

	<p>BP shared Appendix B with members that was represented to Schools Forum and represents the 2021/22 high needs budget the gross grant is - £41.9 m, prior to recoupment for external places. There is also the import/export adjustment for pupils educated outside Northumberland. After these adjustments there remained £38.3m for needs in Northumberland, but the 0.5% transfer from the Schools Block resulted in a final figure of £39.3m</p> <p>The budgets including inclusion and alternative provision are then reflected in the figures is below including some of the new growth elements for this year.</p> <p>High needs committee are reminded we have to fund the forecast March 2021 carried forward deficit which is £594,000 but the encouraging element is that the forecast March 2022 deficit is reduced at £45,000 which is progress. The potential annual deficit without the in-year transfer from the schools block would be £414.000. The focus must be on how this can be reduced further over the course of 2021/22.</p> <p>All happy with information shared.</p>	
<p>9.</p>	<p>SEN TOP UP FUNDING: NEW STAR FUNDING UPDATE</p> <p>SB presented and update to members about the new STAR funding.</p> <p>At the last meeting it was agreed that SB would carry a review of the STAR funding process and carry out a review of national practice and come back with a way forward and our next steps.</p> <p>One of our priorities for Education and Skills is that we will lead a development overall strategy to make sure we have an appropriate and an accessible provision and that is underpinned by three key things.</p> <ol style="list-style-type: none"> 1. Workforce development and support for our schools and settings 2. Transparent and equitable allocation of funds and increased accountability 3. Clarification around ordinarily available provision – Angela Davies is leading on about developing a consistent benchmark and guidelines around what good inclusive practice looks like. <p>What we are trying to achieve around transparency and work being done on costed provision maps for schools which are routinely used across most local authorities and we are working through with Bruce Parvin, Angela Davis and SENCO leads around what that will look like. We do need to have a short-term SEN support funding mechanism which is STAR at the moment which is not quite working in the way we wanted to.</p> <p>There is little consistent information available nationally around local authorities providing support to children who do not have EHCP. Many areas do not have a system in place around this and there are a range of different models in place most focus at the level of an individual pupil and involve applying for funding which will be attached to that pupil. A few have gone down the route of devolving funds to groups of schools to determine</p>	

<p>how they are used. Costed provision maps are in place across most local authorities but are not always standardised.</p> <p>The process around EHCP is frequently cited as being bureaucratic and Admin heavy. SB has done an audit of what information is being requested in Northumberland as part of the application process and we are in line with other areas. Parents and carers are wanting access to support more readily and more easily and if you do have a need for some support 20 weeks is a long time to complete the EHCP process and to wait for this.</p> <p>We need to consider the rationale for why we do want to providing support at SEN level; we do have a high number of COSA requests which is schools requesting EHC need assessment which is above the national average. Some of these could have needs met at SEN support, however schools are reporting budgetary challenges and this may be a factor. There are no financial incentives for schools to be inclusive.</p> <p>Parents lack confidence around school transition points. There is increase in demand for specialist education funding which is putting a pressure on the high needs block and potentially reducing funding that could be available to support learners at lower levels of need.</p> <p>While the STAR process has enabled provision outside an EHCP, the term short-term has put off many people using it as have applications have decreased. After a review, the application processes are the same as EHCP and therefore schools simply went for a plan as it is perceived as being more guaranteed.</p> <p>Derbyshire and Nottinghamshire were examples where this was currently happening. Derbyshire are doing it by individual pupil and Nottinghamshire are doing it by devolved funding to families of schools.</p> <p>(Agreed examples to be circulated to members by LH.)</p> <p>Principles of New system should be based on need, equitable, transparent, timely, accountable, and moderated. It should be flexible enough to consider groups of children, not just an individual child.</p> <p>Next steps: - Propose to explore a hybrid of two models to meet the need of an individual and groups of children where schools will be involved in how the money is allocated maybe through a panel which we would need to think about. We do need a robust set of financial models developed to pin this and would need to work out what the financial model would be, practicalities around the application process and the allocation process, we need to factor in moderation and governance, and we do need to pilot with schools and settings. This work is intended for the summer term, to go live on 1st September.</p> <p>DW thanked SB but expressed concerns if there were going to be changes to current funding in the time frames suggested due to the potential impact of this.</p>	<p>LH</p>
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	<p>SB confirmed that we have a current process in place and it's about how improve this so we can provide support because at the moment schools are not applying for it.</p> <p>NT clarified that this is the process that replaces the STAR funding which we know that people are not using so this is a recommendation of some of the high needs block is used in a different way to extend the reach of some high needs block funding to SEN support, so we are not changing the way we fund young people with plans that is staying as it is, it is additional to</p> <p>SB confirmed this is something will need to think about carefully and have conversations with schools around that. With regards the query around that it follows the child would be very keen in the things we look at how it does follow the child because what we know is we don't transition at the moment is a bit of a pressure point and not want to take away any support at a pressure point so will be looking at how it would follow the child and hope it will have a positive impact of the welcoming schools ability to meet needs as well succeed at a successful transitioning.</p> <p>It was agreed that STAR funding could be one way of supporting a child moving schools, e.g. from primary to secondary.</p> <p>CP commented from the start thought that STAR funding was a great step forward and the principle is great and happy that further improvements are being sought.</p> <p>Chair asked SB to provide an update for the 23rd June meeting to feedback to members.</p>	SB
10.	<p>Any Other Business Nothing further discussed.</p>	
11.	<p>Date of Next meeting Provisional date of Wednesday 12th May 2021 at 9.30am</p>	



Northumberland County Council

Wellbeing and Community Health Services Group

Education and Skills Service

Meeting: High Needs Sub Committee of the Schools Forum
Date: Wednesday 23rd June 2021
Time: 9.30am
Venue: Virtual Teams Meeting

<p>Present: Sue Aviston Head of Schools Organisation and Resources Sam Barron Head of SEND Strategies Keith Faulkner Vice Chair and Governor at Collingwood Andrea Mead Headteacher Hillcrest Emma Miller Dep Headteacher & SENCO, Pegswood Primary School Bruce Parvin Education & Skills Business Manager</p>	<p>Colin Pearson Director, 3 Rivers Trust David Street Deputy Director of Education Nicola Taylor Head of Inclusive Education Services Graham Wilkins Chair and Governor at St Wilfrid's RC Primary School Debbie Wylie Headteacher – Cramlington Village Primary School</p>
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Notes Lisa Headington

Start time: 9.30am		Action:
1.	Welcome and Introductions	
2.	In Attendance See above	
3.	Apologies: Dionne Illingworth, Suzanne Connolly and Sara Wild.	
4.	Declaration of personal or pecuniary Interest in any agenda item. No declaration of pecuniary interest declared by members	
5.	Minutes of the previous meeting/Matters arising from Previous Minutes: All agree the minutes as a true record by those present at the last meeting.	
6.	ESFA HN FORMULA CONSULTATION FINAL RESPONSE	

	<p>A discussion followed on the nature and timing of the consultation in the context of the wider SEN Code of Practice Review. The fundamental issue that needed to be addressed was whether there was enough funding in the system to meet the demands of High Needs / SEN and how this is distributed.</p> <p>SA commented that there is an impact on exclusions too and looking to get additional funding for additional temporary posts within SA's and NT's team to address this.</p> <p>A request was suggested to send a letter to the Secretary of State for Education to address this but it was agreed to wait until the outcome of the new SEND Code of Practice and to discuss at Schools Forum at Schools Forum.</p> <p>DS commented that we need to know where the money is coming from to fill the gap and how do we do that.</p> <p>Direction from the HN Commmitte was suggested with work done around a couple of schools costing around provision mapping and getting feedback from schools, have banding discussions and overlap with the schools block.</p> <p>DS agreed to corodinate it and stated that both the Education Strategy Board, which is meeting in July, and the SEND Strategy Board will be looking at SEND going forward.</p> <p>HN Committee welcomed this and sought the opportunity to work with both.</p> <p>GW and CP to report back to Schools Forum</p>	<p>DS</p> <p>GW/CP</p>
<p>7.</p>	<p>ADDITIONAL SEN TOP UP FUNDING IN MAINSTREAM SCHOOL FOR PUPILS WITHOUT EHCPs : UPDATE</p> <p>SB updated members about the SEN Top Up Funding in mainstream schools for pupils without EHCPs and shared an updated presentation.</p> <p>It was intended to roll out a programme of Mainstream Inclusion Payments (MIPs) from January 2022. Currently , in acknowledgement of the pressures upon both Schools and the SEN Support Teams following the return to school post Covid-19, the apporach to STAR funding has been relaxed to enable a timely response and this has seen more applications submitted to SEND panel since April 2021 (see slide 4).</p>	

	<p>The MIP process is intended to run as a pilot from January 2022 to July 2023. The objectives and acid test for the programme is to downstream support, and subsequently see an increase in MIP and decrease in applications for Consideration of Statutory Assessment (COSA).</p> <p>The MIP (Mainstream Inclusion Payment) application form and process was also shared with members to show a brief rational of why making outcomes and what we are hoping to achieve. Hope to remove admin burden</p> <p>The use of the costed provision map was central to this process, to present a current and proposed package of support (See following agenda item).</p> <p>The use of STAR funding within Early Years was also discussed and DS stated that the Early Years STAR funding has been successful and recommended to leave as it is.</p> <p>Presentation to go to subsequently to Schools Forum when finalised.</p>	
8.	<p>PROVISION MAPPING PILOT</p> <p>The intention behind the roll out of a Provision Map in Northumberland was to provide Schools with an easy way of demonstrating how they are providing resources to support SEN Learners. HN Committee were reminded of the DfE requirement for Schools to demonstrate they were providing £6,000 worth of SEN Support before any application for additional SEN funding would be considered. BP had worked with SB, Russell Pickering and Angela Davies to develop a pilot spreadsheet and this was demonstrated on screen. It was important that the correct ratios were input for costs to be accurate. The pilot spreadsheet had also been shared with a small number of SENCOs who had in principle welcomed the development but also provided some comments, including :-</p> <ul style="list-style-type: none"> • a request for additional lines to show more support; • consideration to showing where more than one adult was working with a child at the same session; show an easy way to evidence how schools are spending. <p>The draft document had been shared with the Committee papers and was demonstrated on screen, comments were welcomed.</p> <p>Emma and Debbie showed interest in piloting the process in there schools.</p> <p>DW queried if oncosts were included.</p>	EW/DW



Northumberland County Council

Wellbeing and Community Health

Agenda Item 6

SCHOOLS FORUM

07 July 2021

Schools Forum Operations and Governance

1. Purpose of the Report

To update Schools Forum in relation to the latest legislation and operational guidance published by the ESFA.

2. Recommendations

That the Schools Forum notes the report and is invited to:

- a. Consider whether it wishes to continue to meet as a virtual meeting, or revert to face to face meetings once it is considered safe to do so;
- b. Update the Terms of Reference to reflect the requirement for Special Academies to be represented on Schools Forum;
- c. Make any further recommendations to the Term of Reference following the publication of the March 2021 ESFA Guidance.

3. Background

National Regulation govern the operation of schools forums. These were updated in 2020 by [The Schools Forum \(England\) \(Coronavirus\) \(Amendment\) Regulations 2020](#) to allow schools forums to meet remotely for 2020/21. Prior to this, [The Schools Forums\(England\) Regulations 2012](#) had been the latest regulations published.

However earlier this year [The School and Early Years Finance \(England\) Regulations 2021](#) extended this power indefinitely so School Forums can continue to meet remotely.

4 Latest ESFA Guidance

- 4.1 Along with the relevant legislation, the ESFA publishes the Schools Forum Operational and good practice guide. The original guidance was published in and has been regularly updated with the latest version being published in March 2021. A copy has been circulated with the papers for this meeting.

- 4.2 The key changes in the latest version relate to the permanent provision for Schools Forums to meet remotely. The Schools Forum remains a public meeting and where meetings are held remotely, this should still include arrangements for public access.
- 4.3 Other than those changes reflected above the guide continues to be structured in two specific sections:
- section 1 provides information on the constitutional and organisational requirements for schools forums;
 - section 2 covers a number of key aspects of the operation of schools forums at local level, drawing on good practice from a number of schools forums

School Forum members are invited to consider any other implications arising from the ESFA guidance in respect of the Northumberland Schools Forum Terms of Reference, other than those highlighted in section 5 below. In particular the views of Forum are requested to consider whether it wishes to continue to meet as a Virtual meeting, or revert to face to face meetings, once it is considered safe to do so.

5. Northumberland Schools Forum Terms of Reference

A comparison with the current ESFA Operational and Best Practice Guide (OBPG) would indicate it would be appropriate to update the Terms of Reference in respect of the following aspects:

5.1 Membership

The OBPG states where there is one or more Special Academies operating in a LA area, then they should be represented on Schools Forum. In practice this happens in Northumberland; we have 2 Special academies Hexham Priory and NCEA Castle School and Sara Wild is the special academy representative, it is a question of updating our Terms of Reference to reflect this, there were no special academies in Northumberland when these were last reviewed in 2012.

It is evident that some areas originally represented on Schools Forum are not currently involved, as listed below:

- Pupil Referral Unit (PRU);
- Church of England Diocese;
- Roman Catholic Diocese;
- 14-19 Strategic Partnership; and
- Support Staff TU representation

Membership or representation from the above is currently being pursued and we will provide an update to the next meeting of the Schools Forum concerning this.

5.2 Vice Chair

Following Ian Walkers retirement from Schools Forum the Forum does not currently have a Vice Chair of Schools Forum in line with the Terms of Reference. Ian also used to serve as Chair of the Funding Formula Committee. Schools Forum member are asked to contact Bruce Parvin if they are interested in these roles.

6. Current Membership

- 6.1 The key ESFA recommendations in relation to Schools Forum membership is that membership is balanced and representative and that it should reflect most effectively the profile of education provision across the local authority to ensure that there is not

an in built bias towards any one phase of group. Pupil Numbers together with the current make-up of the Schools Forum Schools membership is as follows:

	School Representatives as per 2012 & Sept 2017 Review	Current Pupil Numbers	Current Pupil Numbers	Notional Number of SF reps	Current Position
		Nos	%		
First and Primary Maintained :	8	12,833	32.8%	6.6	5
Secondary Maintained :	6	4,439	11.3%	2.3	2
First and Primary Academies :	}	7,294	18.6%	3.7	5
		6			
Secondary Academies :	}	14,610	37.3%	7.5	4
Maintained Special Schools	2				2
Special Academies					1
TOTAL PUPILS :	22	39,176	100.0%	22.0	19

- 6.2 From these figures we see that the Schools Forum representation remains proportionately representative of the current make up of maintained schools and academies within Northumberland. Future recruitment of Schools representatives on Schools Forum should focus initially on First and Primary maintained and Secondary academy representation to address where there are currently shortfalls.
- 6.3 It should however be remembered that the ESFA guidance does not distinguish between primary and secondary academy representation, given that many MATs will contain both primary and secondary schools. Ultimately it would be for the academies themselves to determine appropriate representation, within the overall allocated number of places.
- 6.4 The previous Terms of Reference, as agreed by Schools Forum in September 2017 are attached for reference at Appendix A.

7. Summary and Conclusions

- 7.1 It is intended to again seek expressions of interest in Schools Forum Membership in September 2021 at the start of the next academic year. Recruitment has been at times problematic and we will run a regular article in Ecourier seeking expressions of interest. Schools Forum members are also asked to actively promote such opportunities through their various networks.
- 7.2 Schools Forum members are also reminded of the expectation that they communicate the discussions and decision of Schools Forum through their respective networks, and that all information is publicly available on the Schools Forum section of the Council website at:

<https://www.northumberland.gov.uk/Education/Professionals/Forum.aspx>

Bruce Parvin
Education and Skills Business Manager
02 July 2021

SCHOOLS FORUM - TERMS OF REFERENCE

27 September 2017

1 The current position

- 1.1** Northumberland's Schools Forum is a representative group of headteachers, governors and non-school members established by statutory instruments issued by the Government. Forums were established nationally in 2002 primarily as bodies for local authorities to consult on school budget related issues, such as formula funding, contracts funded from the schools' budget, and provision for the education of pupils with special educational needs. The forum is constituted according to the statutory guidance and seeks to be representative of all schools across Northumberland.
- 1.2** The operation and conduct of the Schools Forum is in accordance with the Schools Forums (England) Regulations 2012. The Forum has advisory and decision making powers as specified in those Regulations in relation to the Schools Budget, which includes not only budget shares but also all monies directly related to the education of pupils whether in school or otherwise, arrangements for early years provision, insurance, free school meals and administrative arrangements for the allocation of central government grants paid to schools via the authority. In addition, the regulations state that Forum will have a significantly extended role, and will be the main consultative interface between the County Council and the school community, and could be involved in discussion on a wide range of issues outside the scope of the legislation.
The Northumberland Forum complies with its statutory powers to consult upon the delegation of public funds to schools. It has a key role in ensuring delegated budgets are monitored appropriately by officers.
- 1.3** The forum contributes its' views to spending decisions to ensure they are based upon an accurate analysis of priorities within the local authority. Targeting under-achievement by disadvantaged groups, improving provision within the secondary sector generally, tackling challenging behaviour and ensuring that pupils with special educational needs have good support are the priorities currently at the heart of funding allocation.
- 1.4** The forum seeks to equalise funding to ensure that schools are not disadvantaged to their peers nationally or locally. All members of the forum understand the need for decisions to be based on key priorities and needs; for example, the forum has supported changes to the formula in relation to the funding of pupils with special educational needs.
- 1.5** There is consultation with members of the schools' forum in respect of the decision to reorganise the education and skills service.
- 1.6** Given the context of financial restraint and the move towards greater autonomy and accountability for schools and academies, the establishment of stronger education partnerships by the Authority is seen as timely and appropriate.

- 1.7** The Director of Education and Skills attends all meetings of the Schools' Forum. Members of the Schools' Forum ask challenging questions about the use of funding and receive regular reports from local authority officers. Budget-setting is open, transparent but often very complex.
- 1.8** The Local Authority and forum need to evaluate the impact of spending on outcomes. The reporting mechanisms introduced in 2014, include the annual report, the mid-year report and strategic statement should ensure that members have clearer and more focussed information on which to base their decisions.
- 1.9** The Schools Forum recognises the need to engage schools fully when consulting on specific decisions. In making budget decisions, the local authority and Schools Forum are committed to the principle that 'the money follows the child'. Through consultation and robust modelling of options, the Schools Forum has agreed a formula that gives considerable weighting to vulnerability, inclusion and SEND, reflecting the challenges faced by many children and young people in Northumberland.

2 Constitution

- 2.1** The regulations indicate that the Forum shall consist of the following ~~29~~ **30** members:

- 8 First/Primary School Headteachers/Senior School Members of Staff or Governors
- 3 Middle School Headteachers/Senior School Members of Staff or Governors
- 3 High/Secondary School Headteachers/Senior School Members of Staff or Governors
- 2 Special School Headteachers/Senior School Members of Staff or Governors
- 1 PRU Head or Governor
- 6 Academy Headteachers/Senior School Members of Staff or Governor
- 1 Special Academy Representative**
- 1 Church of England Diocese representative
- 1 Roman Catholic Diocese representative
- 1 Teacher Trade Union representative (not a Headteacher)
- 1 Support Staff Trade Union representative
- 1 14-19 Strategic Partnership representative
- 1 Private, Voluntary and Independent Early Years Providers representative

- 2.2** In addition the Forum may agree to invite other Observers as it sees fit. The constitution of membership should be reviewed at the first meeting in each calendar year using the pupil numbers from the previous October's school census. Also any person presenting a paper to the schools forum may speak at forum meetings but their ability to speak is limited to the paper that they are presenting. Elected Members with responsibility for education/children's services or resources of the local authority in attendance as an Observer shall also have the right to speak at meetings.
- 2.3** Where any member of the Schools Forum is unable to attend a meeting, s/he may nominate a substitute to attend on their behalf. Such a substitute must be of the same type (e.g. Headteachers can only be substituted by another Headteacher), from the same phase, and ideally from the same school partnership.
- 2.4** Where a member fails to attend without consent for a period of six consecutive months or three consecutive meetings (whichever comes first) their term of office shall come to an immediate end and a replacement shall be sought.
- 2.5** Sub Groups/Committees will be constituted by the Forum. Terms of Reference and membership arrangements will be determined by the Forum and may include people who are not members of the Schools Forum. Sub Groups/Committees will be required to report to a

full quorate meeting of the Forum for approval of findings before such findings are published, unless the Forum agrees otherwise in advance.

- 2.6** Schools members will be nominated by the relevant phase of schools and will serve a four year term of office. It will be up to each phase of schools to decide on a precise split of places between Headteachers and Governors. This should be half Headteachers and half Governors, but where this is not possible at least one third must be Headteachers and at least one third must be Governors. Schools are also encouraged to recognise the need for representation from schools of different sizes and from every school partnership. It will be the responsibility of the Headteachers in each phase to seek nominations and to decide exactly how they will determine who to nominate for appointment. Non schools members will be nominated by the relevant body. In the event of any Headteacher or Governor ceasing to be a member of the Forum, the appropriate group will decide on who should be nominated as a replacement. The replacement member will be given their own four year term of office.
- 2.7** Agendas and papers for each meeting will be published on the Council's public website 7 days before the meeting, and draft minutes of the meeting will be published on the same website as soon as practicable following the meeting. Papers for a meeting will be sent individually to each member of the Forum.
- 2.8** The Quorum shall be 40% of the membership of the Forum excluding vacancies but including substitutes. Being inquorate will not prevent a meeting from taking place, but the Forum will not be legally able to take decisions. An inquorate meeting can respond to consultation and give views to the Authority.
- 2.9 Voting Rights.** Varying people have voting rights, i.e. Schools' members have voting rights, non-schools' members have some voting rights and observers, generally, do not have voting rights.
- 2.10** The Chair shall be elected from amongst the members by a quorum of the meeting. The term of office will be two years. Should a resignation occur mid-term the replacement will be given their own two year term of office. The Vice Chair shall be elected from amongst the members by a quorum of the meeting. The term of office will be two years. Should a resignation occur mid-term the replacement will be given their own two year term of office. The Clerk will be appointed by the Local Authority. The Forum shall meet a minimum of four times a year, at dates, times and venues to be determined by the Forum. Meetings for the whole school year should be agreed and published before the end of the previous school year. Extra ordinary meetings of the Forum may be called at the request of Chair or Vice Chair. All Members of the Forum shall be entitled to claim reasonable travelling expenses at casual user rate. Members of the Forum shall also be able to claim re-imburement of reasonable child care, supply cover, and loss of earning costs incurred in order to facilitate attendance at meetings.

3 Communication and partnership

- 3.1** Forum members should make arrangements to inform Governing Bodies of all schools of the results of consultations, any decisions taken and any advice that has been given formally to the County Council no less frequently than on a termly basis.
- 3.2** Thirteen geographical Education partnerships have been established and it is vital that each one is represented at the Forum to enable them to report back to the partnership groups. Members may undertake this responsibility as part of a dual role. However it is important that they are able to frequently attend partnership meetings or communicate with partnerships. It is preferable that these members are drawn from headteachers of schools and academies rather than governors or other representatives.
- 3.3** A special educational needs sub-committee has been established primarily to discuss matters relating to special education.



Education & Skills
Funding Agency

Schools Forum

Operational and good practice guide

March 2021

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Introduction

1. This guide is designed to provide local authority officers and schools forum elected members with advice and information on good practice in relation to the operation of schools forums.
2. It is organised in two sections:
 - section 1 provides information on the constitutional and organisational requirements for schools forums
 - section 2 covers a number of key aspects of the operation of schools forums at local level, drawing on good practice from a number of schools forums
3. GOV.UK contains details of all the announcements, documents and other information relating to school funding and schools forums, including the National funding formula (NFF) The website also has a range of useful links to other sites that may be of relevance to schools forum members.
4. A short [guide to the schools forum for schools and academies](#), which may be helpful to stakeholders and the wider school family, is available on GOV.UK.
5. If you have any queries about the operation of schools forums please contact Education and Skills Funding Agency (ESFA) using the [ESFA enquiry form](#).

Section 1 – schools forum regulations: constitution and procedural issues

Regulations

6. [National regulations](#)¹ govern the composition, constitution and procedures of schools forums. Local authorities can provide schools forum members with a copy of these regulations or alternatively they can be accessed at:

<http://www.legislation.gov.uk/ukxi/2012/2261/contents>.

7. **The School and Early Years Finance (England) Regulations 2021 amended The Schools Forums (England) (Coronavirus) (Amendment) Regulations 2020 to make permanent provisions to enable schools forums meetings to be held remotely. This includes (but is not limited to) telephone conferencing, video conferencing, live webcast, and live interactive streaming. Where a schools forum decides to hold a public meeting by remote means only, the forum should provide support or make alternative arrangements so that any interested parties who do not have telephone or online access can attend virtual meetings.**

Schools forum powers

8. Schools forums generally have a consultative role. However, there are situations in which they have decision making powers. The respective roles of schools forums, local authorities and the DfE are summarised in [schools forum powers and responsibilities](#). The overarching areas on which schools forums make decisions on local authority proposals are:

- de-delegation from mainstream maintained schools budgets (separate approval will be required by the primary and secondary phase members of schools forum), for prescribed services to be provided centrally
- to create a fund for significant pupil growth in order to support the local authority's duty for place planning (basic need), including pre-opening and diseconomy of scale costs, and agree the criteria for maintained schools and academies to access this fund
- to create a fund for falling rolls for good or outstanding schools if the schools' surplus capacity is likely to be needed within the next three years to meet rising pupil numbers and agree the criteria for maintained schools and academies to access this fund

¹ Schools Forums (England) Regulations 2012 (S.I. 2012/2261) (as amended)

- agreeing other centrally retained budgets, including for local authority statutory responsibilities (where these relate to maintained schools only, voting is by the primary, secondary, special and PRU members of schools forum)
- funding for central early years expenditure, which may include funding for checking eligibility of pupils for an early years place, the early years pupil premium and/or free school meals
- authorising a reduction in the schools budget in order to fund a deficit arising in central expenditure, or from de-delegated services, which is to be carried forward from a previous funding period in the 2018 to 2019 funding year the schools block is ring-fenced. Local authorities require schools forum approval in order to move up to 0.5% from the schools block to other blocks
- **in each of these cases, the local authority can appeal to the Secretary of State if the schools forum rejects its proposal.**

9. Local authorities should be aware that the provisions of the [Local Government Act 2000](#) restrict the delegation of local authority decisions to Cabinet, a member of Cabinet, a Committee of Cabinet or an officer of the Council, which would not include schools forums. As a result the local authority cannot delegate its decision making powers to schools forum, for example, decisions on the funding formula.

10. Regulations state that the local authority must consult the schools forum annually in connection with various schools budget functions, namely:

- amendments to the school funding formula, for which the voting is restricted by the exclusion of non-schools members except for PVI representatives
- arrangements for the education of pupils with special educational needs in particular the places to be commissioned by the local authority and schools and the arrangements for paying top-up funding
- arrangements for the use of pupil referral units and the education of children otherwise than at school, in particular the places to be commissioned by the local authority and schools and the arrangements for paying top-up funding
- arrangements for early years provision
- administrative arrangements for the allocation of central government grants paid to schools via the local authority
- There's no specific definition of these consultation requirements over and above the wording in the regulations. It's a matter for the local authority to decide on the appropriate level of detail it needs to generate a sufficiently informed response from schools forum.

11. Consultation must also take place when a local authority is proposing a contract for supplies and services which is to be funded from the Schools Budget and is in excess of the EU procurement thresholds. The consultation must cover the terms of the contract at least one month prior to the issue of invitations to tender.

12. The schools forum has the responsibility of informing the governing bodies of all schools maintained by the local authority of the results of any consultations carried out by the local authority relating to the issues in paragraphs 12 and 13 above.

13. Local authorities will need to discuss with the schools forum any proposals that they intend to put to the Secretary of State to:

- vary the MFG
- use exceptional factors
- vary pupil numbers (Secretary of State approval is no longer required for increases relating to changes in admission limits or reorganisations)
- allow additional categories of, or spending on, central budgets
- amend the sparsity factor
- vary the lump sum for amalgamating schools
- vary the protection for special schools and special academies
- move up to 0.5% from the schools block, where the schools forum do not agree, or move more than 0.5% from the schools block

Proposals will then need to be considered by the Secretary of State.

Membership

14. The Schools Forums Regulations provide a framework for the appointment of members, but allow a considerable degree of discretion in order to accommodate local priorities and practice. A quick guide to the [structure of the schools forums](#) is available.

15. There is no maximum or minimum size of a schools forum. Authorities will wish to take various issues into account in deciding the actual size, including the need to have full representation for various types of school, and the local authority's policy on representation of non-schools members. However, care should be taken to keep the schools forum to a reasonable size to ensure that it does not become too unwieldy.

16. Types of member: schools forums must have 'schools members', 'academies member(s)' if there is at least one academy in the local authority's area and 'non-schools members'. Schools and academies members together must number at least two-thirds of the total membership of the schools forum and the balance between maintained primary, maintained secondary and academies members must be broadly proportionate to the pupil numbers in each category, so the structure of Forum should be regularly reviewed, we would suggest good practice is to review the membership as a standing agenda item at each meeting. Academies members must represent mainstream academies and, if there are any in the local authority area, special academies and alternative provision academies. There is no requirement for academies members to represent specific primary and secondary phases, but it may be encouraged to ensure representation remains broadly proportionate to pupil numbers. Academy members must be separately elected and designated from maintained school representatives, **please see paragraph 28.**

17. Schools forum members will need the skills and competencies to manage Forum business (as detailed in [school forum powers and responsibilities](#)) and to take a strategic view across the whole education estate whilst acting as representative of the group that has elected them. Furthermore, they should be easily contactable and pro-active in raising the profile of issues and communicating decisions, and the reasons behind them, effectively. Good practice for schools forums would be to offer training to new or existing members **who may benefit from this.**

Term of office

18. The term of office for each schools member and academies member should be stipulated by the local authority at the time of appointment. Such stipulation should follow published rules and be applied in a consistent manner between members. They need not have identical terms – there may be a case for varied terms so that there is continuity of experience rather than there being a complete change in the membership at a single point. The term of office should not be of a length that would hinder the requirement for the structure of the schools forum to mirror the type of provision in light of the pace of academy conversions. Examples of how this may work include:

- holding vacancies until the schools forum structure is reviewed providing that this does not mean holding vacancies for an unreasonable length of time, for example, we would expect this vacancy to be filled for the following term
- increasing the size of the schools forum temporarily to appoint additional academy members, then deleting schools member posts at the end of a term of office or when a vacancy arises
- considering continuity of service; where an academy conversion affects the school of a current schools member, would academies consider appointing that person as an academies member

19. The length of term of office for non-schools members is at the discretion of the local authority. Schools and academies must be informed, within a month of the appointment of any non-schools member, of the name of the member and the name of the body that that member represents.

20. As well as the term of office coming to an end, a member ceases to be a member of the Schools Forum if he or she resigns from the schools forum or no longer occupies the office by which he or she became eligible for election, selection or appointment to the schools forum. For example;

- a secondary schools member must stand down if their school converts to an academy
- a schools member representing community primary school governors who is no longer a governor of a community primary school in the relevant local authority must cease to hold office on the schools forum even if they remain a governor of a school represented by another group or sub-group
- other situations in which membership of the schools forum ends are if a member gives notice in writing to the local authority and, in the case of a non-schools member, the member is replaced by the local authority, for example at the request of the body which the member represents

Schools members

21. Schools members represent specified phases or types of maintained schools within the local authority. As a minimum, schools forums must contain representatives of two groups of schools: primary and secondary schools, unless there are no primary or secondary schools maintained by the local authority. Middle schools and all through schools are treated according to their deemed status.

22. Where a local authority maintains one or more special schools the schools forum must have at least one schools member from that sector. The same applies to nursery schools and pupil referral units (PRUs).

23. The local authority then has discretion to divide the groups referred to in paragraph 16 and 17 into one or more of the following sub-groups:

- headteachers or headteachers' representatives in each group
- governors in each group
- headteachers or headteachers representatives and governors in each group
- representatives of a particular school category, for example, voluntary aided

24. Headteachers can be represented by other senior members of staff within their school. Governors can include interim executive members of an interim executive board. The sub-groups do not have to be of equal size; for example, there

may be more representatives of headteachers of primary schools than governors of such schools, or vice versa. The membership structure of the schools forum should ensure there is sufficient representation of each type of schools member in each group to ensure that debate within the schools forum is balanced and representative. As a minimum, there must be at least one representative of headteachers and one representative of governors among the schools members.

25. Whatever the membership structure of schools members on a schools forum, the important issue is that it should reflect most effectively the profile of education provision across the local authority to ensure that there is not an in-built bias towards any one phase or group.

Election and nomination of schools members

26. The relevant group or sub-group is probably best placed to determine how their schools members should be elected.

27. It's good practice for those who draw up the scheme to ensure that a vacancy amongst a represented group would be filled by a nominee elected according to a process that has been determined by all those represented in that group, for example, community primary school headteachers, or secondary school governors, ensuring that everyone represented has had the opportunity to stand for election and/or vote in such an election. The process must be restricted to the group in question; a headteachers phase group could only vote as a whole for headteacher members if the voting excluded academies, as academies members form a separate group.

28. It's not appropriate for a single person to be elected to represent more than one group or sub-group concurrently, for instance, if they were a governor at a primary and secondary school. They can stand for election from either group but can be appointed to represent only one of those groups.

29. The purpose of ensuring that each group or sub-group is responsible for their election process is to guarantee that there is a transparent and representative process by which members of schools forums are nominated to represent their constituents.

30. Appropriate support to each group or sub-group to manage their election processes should be offered by the clerk of a schools forum, or the committee/democratic services of a local authority. This may just include the provision of advice but may also consist of providing administrative support in actually running the elections themselves.

31. As a minimum, we would recommend that the clerk of a schools forum make a record of the process by which the relevant schools within each group and sub-group elect their nominees to the schools forum and be able to advise the Chair

of the schools forum and local authority on action that needs to be taken, where necessary, to seek new nominees.

32. In determining the process by which elections should be operated it is perfectly legitimate for a local authority to devise, in consultation with their schools forum, a model scheme for the relevant schools within a group or sub-group to consider and be invited to adopt. However, such a model scheme cannot be imposed on that body of schools: adaptations and/or alternative schemes may be adopted. A single scheme need not be adopted universally.

33. Care should be taken to ensure that every eligible member of a group or sub-group has an opportunity to be involved in the determination of their group's election process, is given the opportunity to stand for election if they choose to do so, and is involved in the election of their representative(s).

34. It would not be compliant with the regulations for the steering committee or Chair of a 'parent' group simply to make a nomination to represent their group or sub-group on a schools forum. Schools members must be elected, subject to paragraph 39 below.

35. The local authority may set a date by which the election should take place and must appoint the schools member if the election has not taken place by that date. The person appointed should be a member of the relevant group.

36. We would recommend that any scheme takes into account a number of factors:

- the process for collecting names of those wishing to stand for election
- the timescale for notifying all constituents of the election and those standing
- the arrangements for dispatching and receiving ballots
- the arrangements for counting and publicising the results
- any arrangements for unusual circumstances such as only one candidate standing in an election
- whether existing members can stand for re-election

37. In the event of a tie between two or more candidates, then the local authority must appoint the schools member instead. The local authority may decide to appoint someone else rather than one of the candidates and might wish to take into account the experience or expertise of the individuals, and the balance between the different types of school represented on the schools forum.

Election and nomination of academies members

38. Academies members must be elected by the proprietor bodies of the academies in the local authority's area, and they are probably best placed to determine the process. Academies members are there to represent the proprietor bodies of academies and are, therefore, not necessarily restricted to principals, senior staff or governors. The same factors should be taken into account as for the election of schools members, set out in paragraphs 28 to 39. For the avoidance of doubt, Free Schools, University Technical Colleges and Studio Schools are classed as academies for this purpose. There is no distinction between sponsored and converter academies.

39. There are three sub-groups for academy members: mainstream academies, special academies and alternative provision academies and it is for the proprietors of academies within each of these sub-groups to elect their representatives. It is not appropriate, therefore, for headteacher phase groups to determine representation unless the academy proprietors have agreed and even then the voting would need to exclude maintained school representatives. There is no requirement for academies members to be split into primary and secondary sub-groups. However, local authorities may wish to encourage academies to consider the pupil proportions across all academies when electing their representatives.

40. Where there is only one academy in a sub-group in the local authority's area, then their proprietor body must select the person who will represent them.

41. It is possible that a single person be appointed as an academies member to more than one schools forum, for example if an academy chain is located across multiple local authorities, providing they are elected on each occasion in accordance with the agreed election process for each separate schools forum.

42. As with schools members, the local authority may set a date by which the election should take place and must appoint an academies member if the election does not take place by that date, or if an election results in a tie between two or more candidates.

Non-schools members

43. Non-schools members may number no more than a third of a schools forum's total membership (excluding observers, see paragraph 58). A representative of providers of 16-19 education must be elected from those providers. This includes those in the FE sector (FE and sixth form colleges) and other post-school institutions that specialise in special education needs (SPNs), where 20% or more of their students reside in the local authority's area. As with academies the providers are probably best placed to determine the election process.

44. The local authority must appoint at least one person to represent early years providers from the private, voluntary and independent (PVI) sector. Early years

PVI settings need to be represented because funding for the free entitlement for three and four year olds and eligible two year olds comes from the Dedicated Schools Grant, and all settings are funded through the Early Years Single Funding Formula (EYSFF).

45. Before appointing additional non-schools members to the schools forum, the local authority must consider whether the Church of England and Roman Catholic dioceses situated in the local authority's area; and, where there are schools or academies in the area with a different religious character, the appropriate faith group, should be represented on the schools forum. If diocesan authorities nominate members for appointment as non-schools members they may wish to consider what type of representative would be most appropriate, schools-based such as a headteacher or governor, or someone linked more generally with the diocese, for example a member of the education board.

46. It's also good practice for local authorities to ensure that the needs and interests of all the pupils in the local authority are adequately represented by the members of a schools forum. The interests of pupils in maintained schools can be represented by schools members. Some pupils in a local authority, however, are not in maintained schools but instead are educated in hospitals, independent special schools and non-maintained special schools. Certain types of non-schools members can play an important role in representing the interests of these groups of pupils. They can also play a role in representing the interests and views of the services that support those groups of vulnerable and at risk pupils who nevertheless are on the roll of maintained schools, such as looked after children and children with special educational needs.

47. The purpose of non-schools members is also to bring greater breadth of discussion to schools forum meetings and ensure that stakeholders and partners other than schools are represented. Organisations which typically provide non-schools members are trades unions, professional associations and representatives of youth groups. Parent groups could also be considered. However, as there are clearly limited numbers of non-schools members able to be on a schools forum, care should be taken to ensure that an appropriate representation from wider stakeholders is achieved.

Other membership issues

48. There are three restrictions placed on who can be a non-schools member of a schools forum. The local authority cannot appoint:

- an elected member of the local authority who is appointed to the executive of that local authority (a lead member/portfolio holder) ('executive members')
- the Director of Children's Services or any officer employed or engaged to work under the management of the Director of Children's Services, and who does not

directly provide education to children (or manage those who do) ('relevant officer' (a) and (b))

- other officers with a specific role in management of and/or who advise on funding for schools ('relevant officer' part (c))

49. Schools forums have the power to approve a limited range of proposals from their local authority: the restrictions ensure that there is no conflict of interest between the proposing body (the local authority) and the approving body (the schools forum).

50. However, non-executive elected members and those officers who are employed in their capacity as headteachers or teachers and those who directly manage a service which provides education to individual children and/or advice to schools on, for example, learning and behavioural matters are eligible to be members of schools forums.

51. In the case of non-executive elected members, they may be a schools member (by virtue of them being a school governor), an academies member or a non-schools member. As a non-schools member they may be well placed to fulfil the broader overview and scrutiny role they have within the local authority in general.

52. However, the inclusion of non-executive elected members and certain officers is not a requirement. Many schools forums do not have such members on them and it is for each local authority and schools forum to consider how best to ensure the right balance of school and non-school representation on the schools forum, taking into account their local circumstances and preferences.

The role of executive elected members

53. A schools forum needs to ensure that there are systems in place for executive members of the Council to be aware of its views on specific issues and, in particular, any decisions it takes in relation to the Schools Budget and individual budget shares.

54. Executive members with responsibility for education/children's services or resources of the local authority are able to participate in schools forum meetings. By doing so such elected members are able to contribute to the discussion and receive first-hand the views of the schools forum: it is clearly good practice for this to be the case and the regulations provide the right for executive members to attend and speak at schools forum meetings. However, there is no requirement for this to happen so at the very least there should be clear channels of communication between the schools forum and executive members. Communication may also be assisted if schools forum members attended relevant Cabinet meetings as members of the public, for example, when the funding formula is decided.

Recording the composition of schools forums

55. Each local authority must make a written record of the composition of its schools forum detailing the numbers of schools members and by which group or sub-group they were elected, the number of academies members and the number of non-schools members, their terms of office, how they were chosen and whom they represent. This record should also indicate the term of office for schools and academies members. It would be helpful if this were published on the schools forum website so schools and wider stakeholders can easily find who their representatives are.

Observers

56. The Regulations provide that the Secretary of State can appoint an observer to attend and speak at schools forum meetings, for example a representative from the Education and Skills Funding Agency (ESFA). This allows a conduit for national policy to be discussed at a local level and provide access for schools forum to an additional support mechanism, for example, where there are highly complex issues to resolve.

Participation of local authority officers at meetings

57. Only specific officers can speak at meetings of the schools forum. These officers are:

- Director of Children's Services or their representative
- Chief Financial Officer or their representative
- any person invited by the schools forum to provide financial or technical advice
- any person presenting a paper to the schools forum but their ability to speak is limited to the paper that they are presenting

58. In the majority of cases schools forums are supported by a specific officer. In the course of their work, however, schools forums will be required to consider a whole range of issues and they may consider it appropriate that other officers attend for specific items of business. Where this is the case, the local authority should meet the schools forum's requests as far as possible. It is best practice to record attendance at meetings as well as membership to ensure elected members are attending and contributing to discussions.

Procedures

59. Many procedural matters are not prescribed in the regulations and are at the discretion either of the local authority or the schools forum itself. However, there are requirements in the regulations relating to:

- **Quorum:** A meeting is only quorate if 40% of the total membership is present (this excludes any observers, and it is 40% of the current membership excluding vacancies). If a meeting is inquorate it can proceed but it cannot legally take decisions (election of a Chair, or a decision relating to funding conferred by the funding regulations). An inquorate meeting can respond to local authority consultation, and give views to the local authority. It would normally be good practice for the local authority to take account of such 'unofficial' views, but it's not legally obliged to do so. In practice, the arrangements for meetings should be made to reduce the chance of a problem with the quorum. The quorum stipulation is in the regulations to help ensure the legitimacy of decisions
- **Election of a Chair:** Under the Regulations, if the position of Chair falls vacant the schools forum must decide how long the term of office of the next Chair will be. This can be for any period, but the schools forum should consider carefully whether a period exceeding two years is sensible. A long period will also cause problems if the member elected as Chair has a term of office as a member which comes to an end before their term of office as Chair ends. The schools forum must elect a Chair from amongst its own members, so it is not possible to elect an independent Chair. In addition any elected member of the local authority or officer of the local authority who is a member of a schools forum may not hold the office of Chair. Schools forums can also appoint to a position of vice Chair to provide cover if the Chair is absent or the post vacant
- **Voting procedures:** The Regulations provide that a schools forum may determine its own voting procedures save that voting on:
 - the funding formula is limited to schools members, academies members and PVI representatives
 - de-delegation is limited to the specific primary and secondary phase of maintained schools members
 - retaining funding for statutory duties relating to maintained schools only is limited to maintained primary, secondary, special and PRU members
- **The powers which schools forums:** have to take decisions on a range of funding matters increase the importance of clear procedures, for example, decisions are made on a simple majority or the threshold to be met if higher. These procedures should take account of any use of working groups by the schools forum, for example a decision might be taken by voting to accept and adopt a report by a working group (see paragraph 65). As part of any voting

procedure there should be clarity in the procedures for recording the outcome of a vote, and any resolutions a schools forum makes in relation to any vote taken

- **Substitutes:** the local authority must make arrangements to enable substitutes to attend and vote (where appropriate) at schools forum meetings. This applies to schools members, academies members and non-schools members. The arrangements must be decided in consultation with schools forum members
- **Defects and vacancies:** The Regulations provide that proceedings of the schools forum are not invalidated by defects in the election or appointment of any member, or the appointment of the Chair. Nor does the existence of any vacancy on the schools forum invalidate proceedings (see paragraph 61 on quorum)
- **Timing:** schools forums must meet at least four times a year
- **Meeting:** schools forums can meet remotely. This includes (but is not limited to) telephone conferencing, video conferencing, live webcast, and live interactive streaming.

60. Where the regulations make no provision on a procedural matter, local discretion should be exercised. It is for the local authority to decide how far it wishes to establish rules for the schools forum to follow, in the form of standing orders. While it is entitled to do so, it is of course good practice to allow the schools forum to set its own rules so far as possible.

Public access

61. Schools forums are more than just consultative bodies. They also have an important role to play in approving certain proposals from their local authority and are therefore involved in the decision making process surrounding the use of public money at local level. **As a result schools forums are required to be open to the public.** Furthermore papers, agendas and minutes must be publicly available well in advance of each meeting. It's good practice that notification that the schools forum is a public meeting is included on the website and papers are published at least a week in advance. Local authorities should ensure that the websites are accessible and easy to find.

62. Some schools forums already operate very much along the lines of a local authority committee. This is perfectly legitimate and will provide a consistent framework for the running of meetings that are open to the public, and the publishing of papers and agendas well in advance of the meeting and minutes published promptly as required under Regulation 8(13) of the Schools Forum Regulations 2012.

63. Local authorities should ensure that their schools forum clerk's contact details are published on their website and that it is clear to interested parties how they can attend the meeting remotely.

Working groups

64. It's open to a schools forum to set up working groups of members to discuss specific issues, and to produce draft advice and decisions for the schools forum itself to consider. The groups can also include wider representation, for example, an early years reference group can represent all the different types of provider to consider the detail of the early years single funding formula. The reference group would then be able to give its considered view on the local authority's proposals to the schools forum. The schools forum should not delegate actual decisions or the finalisation of advice to a working group, as this may have the effect of excluding legitimate points of view. These have proved effective for larger local authorities; examples of some working groups are for high needs and early years.

Urgent business

65. It's good practice for the local authority to agree with its schools forum an urgency procedure to be followed when there is a genuine business need for a decision or formal view to be expressed by the schools forum, before the next scheduled meeting. The local authority may of course call an unscheduled meeting; but it may also wish to put in place alternative arrangements such as clearance by email correspondence or some other means. Such instances should be avoided so far as possible but are legitimate provided all members of the schools forum have an opportunity to participate, the logistics provide a reasonable opportunity for consideration and the local authority policy on data security is not compromised.

66. It's not legal for the Chair to take a decision on behalf of the schools forum, no matter how urgent the matter in question; but a schools forum may wish to put in place a procedure for the Chair to give the local authority a view on an urgent issue.

Resources of the schools forum

67. The costs of a schools forum fall in the Central School Services Block of the Dedicated Schools Grant (DSG).

68. It's legitimate to charge the running costs of schools forums to this budget including any agreed and reasonable expenses for members attending meetings, the costs of producing and distributing papers and costs room hire and refreshments and for clerking of meetings. Beyond these costs some schools forums have a budget of their own to use for activities such as commissioning research or other reports.

Section 2 – effective schools forums

Introduction

69. As the previous section outlined, local authorities have responsibility for establishing schools forums. They also have an ongoing responsibility to provide them with appropriate support, information and guidance in carrying out their functions and responsibilities.

70. The following outlines some aspects of what local authorities and schools forums should consider in ensuring that their schools forums are as effective as possible. The pace of academy conversions in particular means that this significant sector must be properly represented and feel that it is able to play a meaningful part in the discussions of the schools forum.

71. Central to the effectiveness or otherwise of a schools forum will be the relationship between it and its local authority. The local authority will have a significant influence on this: the support it provides; the resources it devotes and the weight it gives to the views of schools forums all contribute to the nature of the relationship. There are therefore a number of characteristics of this relationship that are particularly important:

- partnership: having a shared understanding of the priorities, issues and concerns of schools, academies and the local authority
- effective support: the business of the schools forum is supported by the local authority in an efficient and professional manner
- openness: it's important that a schools forum feels it is receiving open, honest and objective advice from its local authority
- responsiveness: local authorities should as far as possible be responsive to requests from their schools forums and their members. Schools forums themselves should also be aware of the resource implications of their requests
- strategic view: members of schools forum should consider the needs of the whole of the educational community, rather than using their position on a schools forum to advance their own sectional or specific interests
- challenge and scrutiny: schools forums may be asked to agree to proposals from their local authority that will have an effect on all schools and academies in the local area. The extent to which schools forums can scrutinise and challenge such proposals is an important aspect of their effectiveness

72. The characteristics identified above are just some of the aspects that will contribute to an effective schools forum. The following provides more detail on some of the specific issues that local authorities and schools forums may wish to consider in thinking about their own arrangements.

Induction of new members

73. When new members join the schools forum appropriate induction materials should be provided. These might include material relating to the operation of the schools forum together with background information about the local and national school funding arrangements. Typically they might comprise:

- the constitution of the schools forum
- a list of members including contact details and their terms of office
- any locally agreed terms of reference explaining the relationship between the schools forum and the local authority
- copies of minutes of previous meetings
- the programme of schools forum meetings for the year
- the local schools forum web address

74. This Operational and Good Practice Guide, suitably supplemented by local material, should also be provided to new members on their appointment.

75. Where there is sufficient turnover of schools forum members in any particular year the local authority may wish to organise a one-off induction event to brief new members. Such an event would usefully include an outline of the role of the schools forum and the national funding arrangements for schools and local authorities. It might also include an explanation of the local funding formula and any proposals for review. The opportunity could also be taken to explain the main reporting requirements for school and local authority expenditure.

Training

76. Ideally schools forum members should be able to use some of the budget set aside for schools forum running costs for accessing relevant training activities. Some training will be provided by officers of the local authority but members may wish to attend national or regional events, the costs of which, where necessary, can be supported from the schools forum budget. Local and national bodies have a key role to play in developing the competencies of forum members.

77. Training will need to be provided in response to any changes in the role of the schools forum and national developments in respect of school funding, to ensure that members can be fully effective when detailed discussions are taking place.

Agenda setting

78. The process by which the agenda for a meeting or cycle of meetings is set is in many respects one of the key determinants of the effectiveness or otherwise of a schools forum.

79. The frequency and timing of meetings of the schools forum should be agreed in advance of each financial or academic year; these should take into consideration deadlines for the local authority such as disapplication requests and the submission of the authority proforma tool (APT). It's good practice to publish the dates of meetings on the schools forum website. In drawing up this cycle of meetings, in consultation with the schools forum, the local authority should provide a clear overview of the key consultative and decision-making points in the school funding cycle. These will be drawn from a combination of national and local information and should inform the basic agenda items that each meeting needs to cover. For instance meetings will need to be scheduled at appropriate points to enable the schools forum to consider the outcomes of local consultations and national announcements.

80. Although the business of schools forums must be open and transparent, it is recognised that from time to time items of a confidential nature will need to be discussed. It's recommended that authorities apply the same principles that they apply to Council or Cabinet meetings when judging an item to be confidential and adopt similar practices for dealing with those reports in the meeting, for example placing them together at the end of the agenda.

Preparation for a schools forum meeting

81. It's vital that the schools forum is transparent, open and has clear communication lines to all of the members that are represented. This ensures the wider school family are aware of the business discussed, the impact on their setting and the reasons for the decisions.

82. The vast majority of a schools forum's business will be transacted on the basis of prepared papers. It is therefore important that these are concise, informative and produced in a timely and consistent manner. Recommendations should be clearly set out at the beginning of each report. It's also helpful if the front of the report confirms whether the report is for information or decision and who is eligible to vote where relevant.

83. It's good practice for the schools forum and local authority to agree a standard for papers. It is usual for papers to be dispatched at least one week prior to the meeting at which they will be discussed to allow members to consider them and if necessary canvass views from the group they are representing. Papers should be published on the local authority's website at this time to enable representations to be made to schools forum members.

84. Consistency in the presentation of papers also contributes to the effectiveness of meetings: it helps set the tone of meetings, facilitate the engagement of all members and signal the importance the local authority attaches to the work of the schools forum. Ideally such a standard should be agreed between the schools forum and local authority. The publishing of papers as a single pdf file is helpful as it saves time and avoids accessing multiple documents both in advance of, and during, the meeting. An Executive Summary of the reports can provide schools forum members and members of the public with an overview of the agenda and the decisions required.

85. The publishing of papers on a publicly available website well in advance of the meeting ensures that all interested parties are able to access papers. Some schools forums ensure that each represented group meets in the days immediately prior to the schools forum meeting to ensure the agenda is discussed and schools forum members are properly briefed by the group they represent. Although on occasions it's inevitable that schools forums will receive late, or tabled reports it does create some difficulty for members as they will not have been able to seek the views of those they represent.

86. Schools forums can consider adopting a flexible arrangement for time immediately prior to the meeting. For example it could be used for training of new members, or as a drop-in session for members to ask items of clarification, or for members to meet without officers to discuss the agenda.

Chairing the schools forum

87. The Chair of a schools forum plays a key role in setting the tone, pace and overall dynamic of the schools forum. They should provide an environment within which all members are able to contribute fully to discussions and guide the schools forum to making well informed decisions.

88. The relationship between the Chair and the local authority is therefore vital. The Chair should be very clear on the substance of the agenda items, understand the issues involved and the decisions and/or actions that need to be taken in respect of School Forum business. It's good practice for there to be a pre-meeting between the senior officer of the local authority supporting the schools forum and the Chair of the schools forum to ensure that all the issues are clearly understood.

89. Equally, the Chair has the responsibility of representing the views of the schools forum back to the local authority: for instance, they should, where appropriate, take the initiative to make suggestions for improvements to the way the business is conducted, and, in exceptional cases and with support of the members of the schools forum take the view that they do not have sufficient information on which to base a decision and ask that an item is deferred until further information is available. However, in doing so, the Chair and schools forum should be fully aware of the consequences of deferral.

90. The independence of the schools forum is paramount. Enhancing the role of Chair to a paid position, rather than the reimbursement of reasonable expenses, could blur the lines of independence. Similarly, if the Chair undertakes significant work for the local authority in another capacity, for example as an external consultant, they could be viewed as equivalent to an officer of the local authority.

91. Local authorities could consider if sharing contact details of the schools forum Chair with neighbouring authorities would be helpful for peer support and improving networking opportunities.

Clerking the schools forum

92. Clerking of a schools forum should be seen as more than just writing a note of the meeting. A good clerk provides an invaluable link between the members of the schools forum, the Chair and the local authority. It's a role often undertaken by an employee of the local authority though we would recommend consideration is given to the use of an independent clerk.

93. Clerks should manage the logistics of the meeting in terms of ensuring dispatch of papers and producing a note from the meeting. In considering the style of meeting notes consideration should be given to making them intelligible enough for non-attendees to get a sense of the discussion as well as clearly indicating the conclusion and action agreed in relation to each agenda item. Verbatim reports of a schools forum's discussion, however, are unlikely to be very useful. Schools forums may consider whether a simple action log should be maintained by the clerk to ensure all action points agreed are followed up.

94. Beyond this a good clerk can:

- provide the route by which schools forum members can access further information and co-ordinate communication to schools forum members outside of the formal meeting cycle
- respond to any queries about the business of the schools forum from headteachers, governors and others who are not on the schools forum themselves
- be responsible for ensuring contact details of all members are up to date
- maintain the list of members on the schools forum and advise on membership issues in general
- assist with the co-ordination of nomination or election processes run by the constituent groups
- keep the schools forum website up to date, for example by posting latest minutes and papers

- monitor, on a regular basis, the schools forum and general schools funding pages on the GOV.UK website; and arrange for the distribution of any relevant DfE information to schools forum members
- if appropriate, provide technical advice in relation to the schools forum regulations and in relation to the operation of a schools forum's local constitution
- organise, operate and record any voting activity of the schools forum in line with the provisions of its local constitution

95. Not all of these tasks may be able to be undertaken by the schools forum clerk. However, each one is important and there should be arrangements in place to ensure they are discharged adequately.

Good practice for schools forum meetings

96. Schools forums should ensure there is a clear debate of all agenda items. Whilst sub-group meetings are valuable in working through detailed issues, schools forums should consider that the level of debate held at the schools forum meeting and recorded in the minutes will be the official reflection of the level of challenge and discussion on each issue.

97. The use of nameplates for schools forum members also showing which group they are representing can be helpful to members of the public and presenters of papers. In addition the use of coloured cards or coloured nameplates can be helpful when specific members of a schools forum are eligible to vote on specific items, for example, voting on de-delegation or changes to the funding formula.

98. Consultations with the schools forum are a key responsibility of a local authority, ranging from the funding formula to the letting of contracts. Each consultation will be different and depend on the subject being consulted on, but local authorities should consider the following factors as good practice for effective consultation:

- plan and consult early
- allow reasonable timescales for response (as Forum members may need to consult the groups they represent)
- an open and honest approach
- fully inclusive
- allow for ongoing dialogue
- provide feedback

- clear communications

Meeting notes and recording of decisions

99. A vital part of the effective operation of a schools forum is to ensure that an accurate record of the meeting is taken. This must include the clear recording of votes where there are contrary views. Recommendations to, and decisions of, schools forums must be clearly set out.

100. Notes or minutes of each schools forum meeting should be produced and published on the local authority website as soon after the meeting as possible to enable members and others to see the outcome of any discussions and decisions and/or votes. It is good practice to formally agree the accuracy of the note and minutes at a subsequent meeting but the publication of the draft minutes should not be delayed as a result. We would recommend that a log of the decisions is published within three working days of the meeting, and the draft minutes within 10 working days so that interested parties can access them and consult on them, if necessary, before the next meeting.

101. In order to provide clarity about representation at each meeting, it is good practice for the minutes to record the group and/ or subgroup that each member represents against their name.

Communication

102. Communication to the wider educational community of the discussions and debates of, and decisions made by, the schools forum is fundamental to their effective operation. The more schools and other stakeholders know about the proceedings of the schools forum, the more their work will be an important and central part of the context of local educational funding. This is particularly important given the decision making role that the schools forum has. Local authorities should consider the operational differences between the types of stakeholders and plan their communications accordingly. For example ensuring effective communications across the PVI sector may be more difficult than with schools, which are more likely to have existing channels of communication for example, headteacher meetings.

103. Each schools forum should therefore be clear what its channels of communication are. It is fundamental that each member of schools forum represents the views of the group or sub-group that they represent and that all those with an interest in funding work together to ensure that their views are taken into account. Therefore communications directly between members and those they represent is essential; professional associations and phase groups could be suitable channels. This will ensure that schools forum members have an ongoing dialogue with the constituents of their group or sub-group and are therefore well able to represent their

views at schools forum meetings. However, the schools forum should also consider additional communication processes. These could include:

- drawing schools' attention to the fact that all its agendas minutes and papers are publicly available on the local authority's website (this should include the publication of formula consultation documents)
- an annual report on the proceedings of the schools forum
- attendance by the Chair, or other schools forum member, at other relevant consultative or management groups such as any capital working group; or senior management meetings of the Children's Services Department
- a brief email to all schools, early years providers and other stakeholders after each schools forum meeting informing them of the discussions and decisions with a link to the full papers and minutes for further information
- a schools forum newsletter can be a less formal and more interesting way of communicating forum business and raising the profile of the schools forum and its members

News updates

104. Most, but not all, members of the schools forum will already be in receipt of regular information on school funding matters from the local authority and DfE. Other schools forum members should be copied into such information flows so that they can be kept abreast of developments between meetings.

105. Many local authorities have already established dedicated schools forum websites on which they post key information for schools forum members and other interested parties and updated on a regular basis.



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Northumberland County Council

Wellbeing and Community Health Services Group
Education and Skills Service

Agenda Item 7

SCHOOLS' FORUM

07 July 2021

Dedicated Schools Grant (DSG) Outturn 2020-21

1. Purpose of the Report

This report provides details of the Dedicated Schools Grant (DSG) outturn position for 2020/21 to School Forum members, together with the implications of the outturn highlighted by significant cost pressures within the budget.

2. Recommendations

Schools Forum is asked to:

- a) Approve that the overspend on the DSG for 2020/21 will have the first call on the DSG settlement for 2021/22;
- b) Approve the carry forward of the 2020/21 Trade Union Facility surplus of £47,840 in line with the request attached at Appendix A
- c) Approve the carry forward of the 2020/21 English as an Additional Language (EAL) surplus of £16,601 in line with the report attached at Appendix A
- d) Note the intention to carry forward all of the respective DSG blocks (Central Services Schools) Early Years, High Needs and Schools Block) on a ring fenced basis into 2021/22.

3. Background

At the Schools Forum meeting in January 2020 the budgets for each block within the DSG were set, with details for the Early Years & the High Needs blocks being agreed at the meeting in February 2020, figures as below:

2020/21 DSG	Base 2020/21 Allocations	Transfer to High Needs	Recoupment	Total (after recoupment)
	£m	£m	£m	£m
Central Schools Block	2.733			2.733
Early Years Block	17.295			17.295
High Needs Block	36.027	0.934	(2.576)	34.385
Schools Block	187.109	(0.934)	(100.681)	85.494
Total	243.164		(103.257)	139.907

The overall DSG allocation for Northumberland is revised several times during the year following the conversion of maintained schools to academies, the Early Years census and amendments to SEN places. The final budget allocation is reflected in the next section.

4. Outturn Position 2020/21

- 4.1 The final position for the 2020/21 financial year was an underspend of £0.898 million, with underspends across all blocks except for the High Needs block. The main variances are discussed below with a full breakdown at Appendix B.

	Final Budget (after recoupment) (£m)	2020/21 expenditure (£m)	Over/(Under)spend (£m)
Central Schools block	2.733	2.509	(0.224)
Early Years block	17.048	16.622	(0.426)
High Needs block	33.927	34.111	0.184
Schools block	83.354	82.922	(0.432)
Overall	137.062	136.164	(0.898)

(Note: an overspend is shown as a positive figure and an underspend a negative figure)

4.2 Central Schools Block

The underspend of £0.224 million was a result of:

- An underspend of £0.183 million on Statutory retained duties, as the DSG contribution towards the Senior Management and School Organisation team was partially replaced by Contain Management Outbreak Funding for 2020-21. This grant was available to the council to limit the spread of Covid-19 and reflects the measures undertaken to support Northumberland Schools during this time.
- An underspend of £0.060 million on the budget which contributes towards the legal and professional costs associated with academy conversions and school re-organisations. The demands on this budget will vary from year to year depending on the activity in this area.
- An overspend of £0.030 million on the cost of Independent School provision for 5 Looked after Children without an EHCP. While the costs are arising due to the associated education costs of the placements, the placements are required to meet the social care needs of the child, often when there is no suitable accommodation within the county.

4.3 Early Years Block

The underspend of £0.426 million was largely due to:

- An underspend on the 2/3/4 year old nursery provision of £0.342 million. The DfE have confirmed that the final 2020-21 grant allocation will not be confirmed until November 2021 when we will receive a retrospective adjustment based upon a combination of January 2020 and January 2021 census headcount.
- An underspend on the Early Years Disability Access Fund (DAF) of £0.120 million. The allocation for this funding is based upon data from DWP around eligible 3 and 4 year olds in receipt of Disability Living Allowance (DLA) and not all eligible children have claimed their grant. This funding will be ringfenced and used to develop to the take-up of this funding in future.

4.4 High Needs Block

The overspend of £0.184 million was largely due to:

- An overspend in the Inclusion Service on alternative provision for excluded pupils of £0.148 million. At the year-end there were 100 placements, which was a significant reduction compared to the previous year when there were 186 placements. This is due to a combination of around 65 long term exclusions pupils leaving their provision at the end of year 11 in July 2020 and a reduced intake across the year due to partial school closures. Pressures remain in relation to the shortage in suitable provision and demand is expected to grow in 2021-22. This is likely due to the disruption caused by Covid and subsequent potential issues about students returning to the classroom following this.
- An overspend of £0.708 million on Independent Special Schools and Colleges and top-up funding. This is following an increase in placements by 22 over the last year. There are currently 236 placements being supported, up from 214 in 2020/21, though it should be remembered that individual students' packages can differ significantly in terms of costs depending on the level of support required. The number of Education Health and Care Plans (EHCPs) has increased also increased by 10% during 2020-21, from 2174 to 2392, in line with national figures. EHCPs remain a major influence on SEN costs and pressures.
- An underspend of £0.424 million across SEN Support services, which is partially because of the impact of Covid-19 on expenditure and income. The combination of staff working virtually and from home has led to reduced travel and running costs across the teams and there have also been delays in recruiting to vacancies. There was additional income from Teachers Pension grant to support centrally funded teaching staff and a contribution from the Contain Outbreak Management Fund that was not previously anticipated.
- An underspend of £0.148 million across Virtual School Services. Much of the underspend is on the Education Other than at School service (EOTAS) where the running cost of the team along with pupil and staff transport costs all came in under budget and this can all be linked to the impact of Covid-19 on the cost of delivering the service.

The High Needs block budget was overspent by £1.237 million in 2019-20, with an overall brought forward deficit of £0.691 million after other balances were offset from the other blocks. With a final year end position of £0.184 million at the end of 2020-21, this demonstrates that the deficit has decreased during the year by £0.507 million, though it must be remembered that this included the £0.934 million transferred from the Schools Block to the High Needs Block. Without this funding, the High Needs block overspend would have increased by £0.427 million to £1.118 million overspend.

Schools Block

The Schools block underspent by £0.432 million due to:

- An underspend of £0.048 million on the Trade Union Facility Time balance is subject of a separate request to carry this forward, attached at Appendix A. The increased balance arose as the service received some backdated SLA income relating to the previous financial year.
- An underspend on the growth fund of £0.113 million that was created for 2020-21 to fund additional places at those schools that transitioned from Middle to Primary Schools for September 2020. Based upon pupil numbers this has not been required this year.
- The Council has also received a further £0.072 million relating to 2019-20 from the Wise Academy Trust for recovery of pupil funding relating to the closure of Haltwhistle Upper school.

- The closure of West Woodburn on 31 August 2020 has led to an underspend of £0.158 million as the school was allocated full year budget, but only incurred costs for 5 months and during that time expenditure was far less than expected.
- An underspend on the EAL service of £0.016 million as a result of the impact on Covid-19 on the running costs of the service, this is subject of a separate request to carry this forward at Appendix A.

5 Summary and Conclusions

There is now an overall surplus of £0.898 million at the end of 2020-21 compared to an overall deficit of £0.607 at the end of 2019-20. This is a change of £1.505 million compared to the previous year and is a result of underspends across the Central Schools Block, Schools Block and the Early Years Block. Whilst the High Needs Block has further reduced the deficit from the previous year, it is noted that this was only possible due to the funding transferred from the Schools Block to support the services. It again needs to be re-emphasised that 2020/21 represented an exceptional year due to Covid-19 with staff being redeployed from their usual duties to support schools and the wider community with their response to Covid.

There has also been a significant impact on expenditure across many services due to the impact of Covid-19. This has resulted in reduced travel and running costs of the services as they have worked virtually with schools and from home for most of the year.

Additional financial support has been given to 115 schools and academies which have faced exceptional expenditure pressures as a result of the pandemic. The County Council Covid-19 funding was available to support those schools that were able to satisfy a number of conditions to qualify for the funding and were unable to claim the expenditure from alternative funding sources. Two separate claim programmes were in operation with £342,536 for staffing expenditure and £349,841 in relation to non-staff claims.

It is the intention to ring-fence the year end position on each block this year to ensure that funds carried forward can be utilised effectively and to provide services with additional resource to meet the emerging priorities within the specific areas of the Dedicated School Grant.

SCHOOLS FORUM

07 July 2021

English as an Additional Language Service

1. PURPOSE OF THE REPORT

To seek approval from Schools Forum for the EAL team to carry forward the budget balance from 2020/21 to 2021/22.

2. RECOMMENDATIONS

Schools Forum members are requested to support the proposal to carry forward the budget surplus of £16,601.

3. BACKGROUND

This is the first request to Schools Forum for carry over and this is primarily due to exceptional circumstances linked to the COVID Pandemic; the continuing decrease in de-delegated funding as schools academise, the small size of the service and increased demand for support.

The service is partially funded by de-delegated funds and the remainder of the budget comes from the Vulnerable Persons Resettlement Scheme (VPRS).

During the pandemic the service set up the Education Helpline to support VPRS parents and pupils initially with home schooling, but this extended into other areas. The Helpline was facilitated by providing an Arabic language service. We liaised with the Families' Support Worker Team to advertise the Helpline. Through this initiative we have supported pupils and parents with online learning, accessing learning materials, post 16 education placements and IT equipment. We created information for parents and additional resources where links could be found to support learning in the pupils' first language. The helpline was also accessed by asylum seeker families.

We would like to continue to provide the helpline this service and would be able to facilitate this if the current team were re-aligned, with one of the VPRS teachers working an additional day to release the Arabic speaking TA to continue supporting the helpline. This will be possible if the carryover is agreed.

The service also requires an update to books and materials to support both pupils and school staff, this includes the Immersive Reader Tool on Microsoft 365. This tool enables shared reading between pupil and teacher on a shared screen. Immersive Reader also offers translation of texts into other languages and is more reliable than Google Translate. This could also be facilitated if the underspend could be carried forward.

4. CURRENT POSITION

The budget for the EAL team is managed by the Low Incidence Needs Team Service Manager working in conjunction with the Head of Service. Income generated by SLAs has been minimal and demand for support is increasing. In addition, further academisation in 2020/21 has resulted in a continuing reduction to the de-delegated budget simultaneously with an increasing demand from schools for the teams' support to assist them with pupils from both VPRS and asylum seeker families.

For these reasons, the request is made to Schools Forum to consider that the balance of £16,601 to be carried forward to 2021/22 for the use of the EAL team.

SCHOOLS FORUM

07 July 2021

Trade Union Facility Time

1. PURPOSE OF THE REPORT

To seek approval from Schools Forum to carry forward the budget balance from 2020/21 to 2021/22.

2. RECOMMENDATIONS

Schools Forum members are requested to support the proposal to carry forward the budget surplus of £47,840 as at the 31 March 2021. This figure is broadly comparable to the figure of £46,738 agreed as at 31 March 2020.

3. BACKGROUND

Schools Forum has previously agreed that the money for Trade Union Facility Time (TUFT) arrangement for the de-delegated budget element only relating to maintained Schools from one operational year to another. The TUFT is underpinned by an SLA, operates on an academic year from September to August and receives funds via different sources:

- a) de-delegated decision via Schools Forum for maintained schools – funds allocation on an April to March basis, therefore providing funding into the SLA in arrears/advance;
- b) a direct payment/ journal-transfer from maintained special schools including the PRU – funds allocated on an April to March basis, therefore providing funding into the SLA in arrears/advance, and
- c) direct payment made from academies/free schools (e.g. none DSG maintained schools) – funds paid on a September to August basis, providing funding the SLA for the full-year of its operation.

4. CURRENT POSITION

The TUFT SLA is self-funding, meaning it can only spend/allocate the funds allocated; if it was found that there were not sufficient funds available to fund current/ proposed arrangements the TU/PA TUFT time allocated would need to be reviewed to ensure that the funds/arrangements were aligned.

Annually Schools Forum review the 'buy-in' rate and determine if this needs to stay at the current fixed price per pupil (@ 1st April 2021 this was set/remained at £3.25 per pupil) or if this needs to be reviewed/ revised, e.g. due to base-line salaries/ employers costs (including pensions) increasing, more schools joining / leaving the SLA, TU/PA's asking for more time to be allocated

The SLA has been held for some time, however, arrangements for respective TU/PA's are changing, the aim is to hold the de-delegated rate at £3.25 per pupil for 2022/23 (effective from 1st April 22) however, a further report on use/spending for the 21/22 SLA including and future predictions, will be provided to Schools Forum in the future.

Christina Ponting
Schools HR Lead
Human Resources and Organisational Development Directorate

email: christina.ponting@northumberland.gov.uk

Final budget position for the Dedicated Schools Grant for 2020-21

	Final Budget 2021 (£m)	Expenditure 2020/21 (£m)	Over/(Under) spend (£m)
Central Schools block	2.733	2.509	(0.224)
Administration costs of Academy conversions	0.069	0.009	(0.060)
Statutory retained duties	2.419	2.279	(0.140)
Admissions and Supply of School places	0.238	0.215	(0.023)
Schools forum	0.007	0.006	(0.001)
Early Years block	17.048	16.622	(0.426)
Early Years Team	0.718	0.759	0.041
2/3/4 Nursery provision	16.035	15.693	(0.342)
Disabled Access Funding	0.138	0.018	(0.120)
Early Years Pupil Premium	0.157	0.152	(0.005)
High Needs block	33.927	34.111	0.184
Special School Places	8.209	8.209	0.000
Inclusion Service	1.710	1.858	0.148
Independent Special Schools and top-up funding	17.283	17.991	0.708
Virtual School Services	1.413	1.264	(0.149)
SEN Support Services	2.876	2.452	(0.424)
SEN transport (fixed contribution)	1.147	1.147	0.000
SEN Other	1.289	1.190	(0.099)
Schools block	83.354	82.922	(0.432)
Mainstream Schools	82.318	82.318	0.000
Union Supply	0.106	0.058	(0.048)
Free School Meals	0.018	(0.012)	(0.030)
EAL	0.036	0.020	(0.016)
Behaviour Support	0.297	0.311	0.014
Growth Fund	0.113	0.000	(0.113)
Contingency and other school block income	0.466	0.225	(0.239)
Overall	137.062	136.164	(0.898)

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Northumberland County Council

Wellbeing and Community Health

Agenda Item: 8

SCHOOLS FORUM

07 July 2021

Maintained School Balances as at 31 March 2021

1. PURPOSE OF REPORT

To inform Schools Forum of the position regarding Maintained School Balances as at 31 March 2021.

2. RECOMMENDATIONS

Schools Forum members are recommended to read the report prior to the meeting and table any questions, preferably in advance or at the meeting.

3. BACKGROUND

The Scheme For Financing Maintained Schools specifies the following limits for schools regarding the maximum levels of uncommitted balances they are allowed to carry forward:

- Primary/Special schools 16% of the new financial year budget share;
- Middle/High schools 10% of the new financial year budget share

Any funds in excess of this figure need to be supported with details of future spending intentions. Although it is noted that some Schools are holding balances in excess of the relevant percentages, the Schools concerned have a duty to notify us of any financial commitments relating to 2020-21 by 1st July 2021. It will then be possible to assess if any of the schools could be subject to claw back of uncommitted surplus balances from schools at this stage.

4. CURRENT POSITION

The original aggregated balances figure brought forward into 2020/21 was £2.298m (As at 1 April 2020), as reported to Schools Forum in September 2020. This represented 116 schools. However, this figure has been reduced by £0.422m to reflect those 7 schools that academised during the period. The adjusted balances therefore reflect those 109 schools reflected in both the 2020/21 opening and closing balances.

Of the 109 schools that remained maintained throughout 2020/21, overall balances increased by £3.664 million, from £1.876 million to £5.540 million. Differences between the different phases are shown below:

Phase Summary 2020/21	Schools Balances 2020/21			Change (£)	Change (%)
	No of Schools	2019-20	2020-21		
First / Primary	90	2,088,574	3,843,083	1,754,509	84.0
Middle	7	584,004	870,247	286,243	49.0
High / Secondary	4	- 1,669,284	- 503,626	1,165,658	-69.8
Special (incl PRU)	8	872,397	1,330,343	457,946	52.5
Total	109	1,875,691	5,540,046	3,664,355	195.4

Overall balances have improved across all phases, the “minus %” shown for High / Secondary Schools represents a reduction in the overall deficit balance for the phase. High / Secondary balances also reflect an exceptional transfer of £629,390 from NCC funds in respect of Haydon Bridge as part of an agreed support package.

In simple terms while it appears that in practice, in contrast to previous years, income exceeded expenditure during the financial year, the year has been an exceptional one due to the impact of Covid-19.

Further analysis is available of the respective phases to identify the % of schools in each phase with surplus balances:

- At first / primary, 74 (82%) of the 90 Schools have surplus or positive balances at March 2021, with an average balance of £68,676. 16 are in deficit, with an average balance of -£77,434. At 31 March 2020, in comparison there was 27 Schools in deficit, so this does represent progress.
- All 7 Middle Schools now hold surplus balances with an average across the group of £124,321. 6 of the 7 schools saw an increase in balances during 2020/21
- While there has been an improvement in the balances for all 4 of the High / Secondary schools, it remains the fact that only 1 (25%) of the 4 high / secondary schools has a surplus balance, totalling £0.216m. As the majority of the secondary / high schools in Northumberland are now academies, caution should be taken when interpreting these results due to the small sample size, though clearly their remains pressure with 3 of 4 maintained High Schools being in deficit.
- Including the PRU, 6 of the 8 Special Schools have a surplus balance, totalling £1.253 million; the average balance of these schools is £0.166m.

It is re-emphasised at this point that we must be careful when analysing overall or average balances for the phases as changes in individual schools can have a significant impact. This needs to be considered when looking at the analysis of movement in maintained School Balances attached at Appendix A.

5. SUMMARY AND CONCLUSIONS:

While it was suggested the increases in DSG for 2020/21 may impact on school balances, clearly covid-19 had a significant impact on both school operations and finances. It is evident that covid-19 has a greater impact on some schools than others, hence the reason for the targeted approach in the recent schemes managed by NCC in order to reimburse schools for exceptional staffing and non-staff expenditure.

It should also be noted that the information made available by the Department for Education has also been revised. Previously, following reporting the aggregated School balances figures for maintained schools to the July meeting, we subsequently published individual maintained school balances when they were made publicly available by the DfE later in the year.

The DfE have developed their Schools Financial Benchmarking tool to enable comparisons and benchmarking between both maintained schools and academies, though default lists are available according to schools with similar characteristics. Further information, including financial information for the 2019/20 period is available at:

<https://schools-financial-benchmarking.service.gov.uk/>

Bruce Parvin
Education and Skills Business Manager

30 June 2021

ANALYSIS OF MOVEMENT IN MAINTAINED SCHOOL BALANCES 2020/21

	(as at 31 March 2020)	(as at 31 March 2021)	
Aggregated balances for schools with deficits	2019-20	2020-21	Change
First / Primary	- 1,326,626	- 1,238,938	87,688
Middle	- 8,310	-	8,310
High / Secondary	- 1,790,600	- 719,901	1,070,699
Special (incl PRU)	- 380,302	- 598,957	- 218,655
Number of Schools with Deficit Balances	2019-20	2020-21	Change
First / Primary	27	16	-11
Middle	1	0	-1
High / Secondary	3	3	0
Special (incl PRU)	2	2	0
Average Balances of Schools in Deficit	2019-20	2020-21	Change
First / Primary	- 49,134	- 77,434	- 28,299
Middle	- 8,310	0	8,310
High / Secondary	- 596,867	- 239,967	356,900
Special (incl PRU)	- 190,151	- 299,479	- 109,328
Aggregated balances for schools with surpluses	2019-20	2020-21	Change
First / Primary	3,415,200	5,082,022	1,666,822
Middle	592,314	870,247	277,933
High / Secondary	121,316	216,275	94,959
Special (incl PRU)	1,252,699	1,929,300	676,601
Number of Schools with Surplus Balances	2019-20	2020-21	Change
First / Primary	63	74	11
Middle	6	7	1
High / Secondary	1	1	0
Special (incl PRU)	6	6	0
Average Balances of Schools in Surplus	2019-20	2020-21	Change
First / Primary	54,210	68,676	14,466
Middle	98,719	124,321	25,602
High / Secondary	121,316	216,275	94,959
Special (incl PRU)	208,783	321,550	112,767



Agenda Item 9

Northumberland County Council

School Forum: 7 July 2021

Special Education Needs Update: NIES

1. Purpose of Briefing Note

To provide a briefing in relation to the implementation of the 'free on delivery' model applying to the specialist teaching services within Northumberland Inclusive Education Services (NIES) September 2020 - June 2021. The data for the same period in 19/20 is included for comparison. A full evaluation will be presented at the end of the academic year 2021/22 in line with the initial proposal to run a two year pilot.

2. Recommendations

Schools Forum are recommended to:

- Note the report; and
- Anticipate further information to Schools Forum in relation to the impact of the change in funding model in July 2021

3. Background

Prior to September 2020, traded arrangements had applied to the specialist teaching services of Autism Support, Emotional Wellbeing and Behaviour Support, Speech Language and Communication, and Literacy (Specific Learning Difficulties). These combined teams make up the High Incidence Needs Team (HINT) branch of NIES.

Evidence indicated that this was creating a barrier to the provision of equitable service to children and young people with Special Educational Needs and Disabilities, and as part of the actions undertaken following the SEND Inspection of October 2018 this was identified as a priority for action. Transfer of funds from the Schools Block, as approved by Schools Forum for the financial year 20/21 has enabled the offer of free on delivery services to be implemented

4. Current Position

This has been an extraordinary year for the support services, with working practice affected by the pandemic. For that reason it is difficult to draw true conclusions about the full impact of the change. However, what is clearly evident is that with traded arrangements still in place it would have been difficult to meet the changing needs of children and young people in relation to the pandemic in such a responsive and demand led way.

The teams were visiting in person in the Autumn term, and then resumed a virtual offer from January to March 2021 when there were fewer young people in schools due to the second national lockdown. As during last summer, in person support was provided for children and young people who were entitled to a school place and schools required support to enable them to do so. From March, when all pupils returned, we have seen unprecedented demand, particularly, but not exclusively for Autism and Emotional Wellbeing and Behaviour Support.

Demand was outstripping capacity in late May, and short term measures have been taken to enable the services to continue to take referrals. The teams are seeing referrals which are more complex, including for those at risk of exclusion. Schools are seeking support in order to identify and implement the strategies required to support children still struggling to adjust to full time school attendance and the longer term effects of the pandemic.

5. Overview of 2020/21 in Comparison to 2019/20

The number of referrals into each team within HINT increased significantly in 2020-21 compared to the same period in 2019-20.

TEAM	2019-20 01/09/2019 - 24/06/20	2020-21 01/09/2020 - 24/06/2021	Percentage Increase
Autism Support Service	291	397	36%
Emotional Wellbeing & Behaviour	215	278	29%
Literacy	100	171	71%
Speech & Language	202	252	25%
TOTAL NUMBER OF HINT REFERRALS	808	1098	36%

The number of the referrals received by the Autism Support Team increased by 106. A large increase on what was already the busiest yet one of the smallest services within HINT.

The Literacy (SpLD) Support Team received the lowest number of referrals across HINT but they did however show the greatest % increase in referrals between 2019-20 and 2020-21 at 71%. This team has the smallest number of staff at 3.8 fte.

Analysis of the data by partnership shows the largest increases in Ponteland, Ashington, and Haydon Bridge, although all partnerships have shown increases, with the exception of Cramlington.

PARTNERSHIP	No of Referrals 2019-2020 01/09/2019-24/06/2020	No of Referrals 2020-2021 01/09/2020-24/06/2021	+ or – increase of referrals
ASHINGTON	49	108	+59 = 120% +
BEDLINGTON	69	103	+34 = 49% +
MORPETH	58	91	+33 = 57% +
ALNWICK	100	113	+13 = 13% +
BERWICK	118	135	+17 = 14% +
COQUET	35	46	+11 = 31% +
BLYTH	135	161	+26 = 19% +
CRAMLINGTON	101	78	-23 = 23% -
SEATON DELAVAL	59	69	+10 = 17% +
HAYDON BRIDGE	21	49	+28 = 133% +
HEXHAM	35	73	+38 = 109% +
PONTELAND	4	21	+17 = 425% +
PRUDHOE	22	47	+25 = 114% +

OTHER	2	4	+2 = 100%
TOTAL	808	1098	36%

In terms of actual referrals received by HINT, the number received during the period 01/09/2020 to 24/06/2021 was 1098. This compared to 808 during the same period in 2019-20; an increase of 290 referrals resulting in a percentage increase of 36%. This indicates considerably more work undertaken by the specialist teams than previously.

Interrogating the data in terms of schools who have used the teams we can see that an additional 24 schools accessed support compared to the previous year, when those 24 had not purchased SLAs.

PARTNERSHIP	Schools /Settings Accessing HINT Services 2019-2020	Schools/Settings Accessing HINT Services 2020-2021	+ or – uptake of HINT Services by School/Settings
ASHINGTON	7	11	+4
BEDLINGTON	12	15	+3
MORPETH	15	17	+2
ALNWICK	12	13	+1
BERWICK	16	17	+1
COQUET	4	6	+2
BLYTH	9	10	+1
CRAMLINGTON	12	9	-3
SEATON DELAVAL	8	8	0
HAYDON BRIDGE	7	9	+2
HEXHAM	14	15	+1
PONTELAND	2	8	+6
PRUDHOE	9	11	+3
OTHER	1	3	
TOTAL	128	152	24

7. Summary and Conclusions

Access to the services offered by HINT has become more equitable across both school partnerships and geographical areas.

The number of schools/settings accessing HINT services has increased in 11 out of the 13 school partnerships with only Cramlington seeing a reduction in the number of schools accessing HINT and Seaton Valley maintaining the same 100% level of access.

The largest increases in the number of schools/settings accessing HINT support within a partnership were seen in Ponteland and Ashington during 2020-21. 6 additional school received support in Ponteland and an additional 4 in Ashington.

Capacity of the teams in the medium term is currently under review, and local area data around prevalence of need for learners with EHCPs and on SEN Support indicates that further investment in Autism Support and Emotional Wellbeing and Behaviour needs to be considered. Tracking exclusions, officers are aware of the links between emerging and persistent social emotional and mental health needs and exclusions. The support with whole school approaches and early intervention and management strategies provided by the NIES teams is valued by schools and considered to be a preventative measure.

Stakeholder Voice

Although a formal request for school views of the impact of the pilot has not been made as yet, a recent survey issued to schools (March 2021) asked for evidence of impact of the NCC central SEN Services as a whole and the following comments were made:

- *The support training for staff around individual pupils from the SEND teams such as ASD teacher, SAL teacher and Ed Psych team have all helped improve the experience for pupils and supported them to stay in school more successfully.*
- *Restructuring of the SLA to HINT/NIES Teams has had a very positive impact. We know we can ask for help now for our pupils and receive the help, support and advice in a timely fashion. This was not the case before.*
- *Increased availability of HINT team has been greatly beneficial for providing support and guidance when required.*
- *Staff understand the graduated response procedure and are becoming increasingly confident with process. Where specific needs arise, it is now possible to gain support/advice from NIES.*
- *Access to HINT services this year has provided greater opportunities for whole school training.*
- *HINT services have been amazing and have provided anxiety support and ASD support for pupils*
- *Staff have regular contact with ASD service, EWBSS, LSS and SLCSS. Without these teams we would not be where we are today. Our ASD children have gone from using the school as a sensory circuit last year, to being fully involved in lessons such as phonics, singing and PE alongside their peers.*
- *Moving away from the SLAs has been great*

Nicola Taylor
Head of Inclusive Education Service

28 June 2021



Northumberland County Council

Wellbeing and Community Health

Agenda Item 10

SCHOOLS FORUM

07 July 2021

Scheme for Financing Maintained Schools 2021/22

1. Purpose of the Report

To review and approve the revised Scheme for Financing Maintained Schools for the period commencing 1 September 2021.

2. Recommendations

It is recommended that Schools Forum approved the attached draft Scheme for Financing Maintained Schools.

3. Background

Local authorities are required to publish schemes for financing schools, setting out the financial relationship between them and the schools they maintain. This is reviewed on an annual basis, in consultation with Schools and the Schools Forum. We consulted on the draft Scheme via the ecourier on 8 June 2020 with a closing date of 30 June, and at the time of writing this report no comments have been received. A copy of the proposed Scheme for the academic year 2021/22 has been circulated with this report, proposed changes have been highlighted by in yellow, with the exception of those Schools to whom the Scheme is no longer applicable due to academisation, (shown as ~~strike through~~ in Annex A).

4 Changes for September 2021

4.1 The ESFA made no substantive changes to the Scheme for 2021/2. Three minor changes have been made to reflect changes in timescales or clarifications made by the DfE in relation to

- the Schools Financial Value Standard (Section 2.16);
- borrowing by schools and IFRS (Section 3.6); and
- the treatment of licensed deficits (Section 4.9)

4.2 The latest updated ESFA guidance is available at:

<https://www.gov.uk/government/publications/schemes-for-financing-schools/schemes-for-financing-local-authority-maintained-schools>

5 Further Developments

In conjunction with the Scheme for Financing Schools, it is also the intention to develop further supporting information for Schools detailing the educational, financial and governance thresholds that may determine the respective action the Council may take under the 4 stage approach detailed in section 1 of Scheme for Financing Schools. Further information will be shared subsequently with Forum in respect of this.

B Parvin
Education and Skills Business Manager
25 June 2021

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Northumberland County Council

DRAFT SCHEME FOR FINANCING MAINTAINED SCHOOLS

1 September 2021

DRAFT

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ANNEX A LIST OF SCHOOLS COVERED BY THE SCHEME

1. INTRODUCTION

1.1. The Funding Framework

The funding framework which replaces Local Management of Schools is based on the legislative provisions in Sections 45 to 53 of the School Standards and Framework Act 1998.

Under this legislation, local authorities determine for themselves the size of their Schools Budget and their non-schools education budget - although at a minimum an authority must appropriate its entire Dedicated Schools Grant to their schools budget. The categories of expenditure that fall within the two budgets are prescribed under Regulations made by the Secretary of State, but included within the two, taken together, is all expenditure, direct and indirect, on the Authority's maintained schools. Local Authorities may centrally retain funding in the Schools Budget for purposes defined in Regulations made by the Secretary of State under Section 45A of the School Standards and Framework Act 1998. The amounts retained centrally are decided by the Authority, and are subject to any limits or conditions (including gaining the approval of their Schools Forum or the Secretary of State in certain circumstances). The balance of the Schools Budget left after the deduction of centrally retained funds is termed the Individual Schools Budget (ISB), and it is this balance that is delegated to the Governing Bodies of schools. Expenditure items in the non-schools education budget must be centrally retained, although earmarked allocations may be devolved to schools.

Local Authorities must distribute the ISB amongst its maintained schools using a formula that accords with the Regulations made by the Secretary of State, and enables the calculation of a budget share for each maintained school. This budget share is then delegated to the Governing Body of the school concerned, unless the school is a new school that has not yet received a delegated budget, or the right to a delegated budget has been suspended in accordance with Section 51 of the School Standards and Framework Act 1998. The financial controls within which the delegation works are set out in a Scheme made by the Authority in accordance with Section 48 of the School Standards and Framework Act 1998. All proposals to revise the Scheme must be approved by the Schools Forum, though the authority may apply to the Secretary of State for approval in the event of the forum rejecting a proposal or approving it subject to modifications that are not acceptable to the authority. Furthermore, within the parameters set by this Scheme, the Governing Body's powers and responsibilities for the management of their delegated budget are subject to the general direction of the Executive Director of Finance as the statutory Section 151 Officer of the Authority. All revisions to the Scheme must also be approved by the Secretary of State, who has the power to modify Schemes or impose one.

Subject to the provisions of the Scheme, Governing Bodies of schools may spend such amounts of their budget shares as they think fit for any purposes of their school. They may also spend budget shares on any additional purposes prescribed by the Secretary of State in Regulations made under Section 50 of the School Standards and Framework Act 1998.

Section 50 has been amended to provide that amounts spent by a governing body on providing community facilities or services under section 27 of the Education Act 2002 are treated as if they were amounts spent for the purposes of the school (section 50(3A) of the act).

The 1998 Act also gives the Authority the power to suspend a school's right to a delegated budget if the provisions of this Scheme (or rules applied by the Scheme) have been substantially or persistently breached, or if the budget share has not been

managed satisfactorily. The process by which this will be undertaken is set out in a four stage approach to enable a school the opportunity to take corrective action and prevent further escalation.

It is a requirement of the Department for Education that when a local authority send a letter to a School under the above stages 2 to 4, that both the DfE and the Regional Schools Commissioner (RSC) receive a copy of the notification.

Stage 1 Letter of Concern

This is an initial letter from the Council to the School concerned, stating concerns in relation to the financial position of the school, and seeking information about the action being taken to address this.

Stage 2 – Warning Notice

Once it has been determined that a local authority or RSC will issue a warning notice to a maintained school, they must give the notice in writing to the governing body of the school. The notice must set out:

- the matters on which their concerns are based;
- the action the governing body is required to take in order to address the concerns raised;
- the period within which the governing body must comply or secure compliance with that action (the compliance period); and
- the action the local authority or RSC is minded to take (under one or more of sections 63 to 69 of the Education and Inspections Act 2006 or otherwise) if the governing body does not take the required action.

In addition to giving the governing body a warning notice, the local authority or RSC must give a copy to the headteacher; and in the case of a Church of England school or a Roman Catholic Church school, the appropriate diocesan authority; and in the case of a foundation or voluntary school, the person who appoints the foundation governors¹⁹.

Stage 3 – Failure to Comply with Warning Notice letter

When a governing body has failed to comply with a warning notice to the satisfaction of the RSC or local authority within the compliance period, and the issuing local authority or RSC has given reasonable written notice that they propose to intervene, a school is eligible for intervention and further action may be taken.

Stage 4 – Notice of Intervention

Under section 60B of the Education and Inspection Act 2006, a maintained school becomes eligible for intervention where it :

- Fails to comply with a warning notice ; and / or
- Is judged inadequate by Ofsted

The range of statutory powers available under the 2006 Act include :

- Section 63 – power to require the governing body to enter into arrangements;
- Section 64 – power to appoint additional governors;
- Section 65 – power to appoint an interim executive board (IEB); and
- Section 66 – power to suspend the delegated budget.

A school's right to a delegated budget share may also be suspended for other reasons under Section 17 of the School Standards and Framework Act 1998.

The Authority is obliged to publish each year a statement setting out details of its planned Schools Budget and other expenditure on children's services, showing:

- the amounts to be centrally retained;
- the budget share for each school;
- the formula used to calculate those budget shares; and
- the detailed calculation for each school.

After each financial year the Authority must publish a statement showing out-turn expenditure at both central level and for each school, and the balances held in respect of each school.

The detailed publication requirements for financial statements and for Schemes are set out in directions issued by the Secretary of State. Each school must receive:

- each year's budget and out-turn statements, as far as they relate to that school or central expenditure.

Regulations also require a local authority to publish their Scheme and any revisions to it on a website accessible to the public, by the date that any revisions come into force, together with a statement that the revised Scheme comes into force on that date.

1.2 The Role of the Scheme

The Scheme sets out the respective roles of both Northumberland's Schools and the Authority in relation to the funding of schools and the application of such funds. It is a framework that sets out the requirements relating to financial management and associated issues, and it is binding on both schools and the Authority.

To this end, the Authority has established various conditions and requirements that form the framework within which local management will operate. Although such rules are inevitably prescriptive, they are necessary to protect both Governing Bodies and Headteachers when exercising their delegated powers and responsibilities, and to ensure that the Authority is able to fulfil its statutory obligations in respect of education. They are designed to avoid unreasonably limiting the flexibility of schools in the control and deployment of their budgets whilst setting a background against which public moneys are properly accounted for and recorded.

1.2.1 Application of the Scheme to the Authority and Maintained Schools

The Scheme applies to all schools maintained by the Authority, i.e. all Community, Voluntary, Foundation, Community Special, Foundation Special Schools and PRUs. Unless otherwise specifically stated, the provisions of this Scheme shall apply to any Nursery School maintained by the Authority. These schools are listed in Annex A to this Scheme.

1.3 Publication of the Scheme

In accordance with the Regulations, a copy of Northumberland's Scheme for Financing Schools will be provided to both the Headteacher and Governing Body of each school covered by the Scheme. The Scheme will also be available for inspection at County Hall, as well as being published on the County Council's web site.

1.4 Revision of the Scheme

All proposed revisions to the Scheme will be the subject of consultation with the Governing Body and Headteacher of every maintained school before they are submitted to the schools forum for approval by members of the forum representing maintained schools. Where a Schools Forum does not approve the revisions or approves them subject to modifications which are not acceptable to the authority, the

authority may apply to the Secretary of State for approval. It is also possible for the Secretary of State to make directed revisions to schemes after consultation. Such revisions become part of the scheme from the date of the direction.

1.5 Delegation of Powers to the Headteacher

The provisions of the School Standards and Framework Act 1998 allow the Governing Body of a school with a delegated budget to delegate to the Headteacher the power and the responsibility for deploying resources, subject to the requirements of this Scheme. Governors are responsible for the sound financial administration of their school, and must consider the extent to which they wish to delegate their financial powers to the Headteacher, with the limits of any such delegation consistent with the needs of the school. Any delegated powers must be recorded in the Minutes of the Governing Body, and the Headteacher must report back to the next available meeting of the Governing Body any actions taken under that delegated responsibility. The Authority's "Financial Regulations for Schools" give details of the suggested maximum limit on the financial delegation to Headteachers.

1.6 Maintenance of Schools

Northumberland County Council is responsible for maintaining the schools covered by the Scheme, and this includes the duty of defraying all the expenses of maintaining them (except in the case of a Voluntary School where some of the expenses are, by statute, payable by the Governing Body). Part of the way the Authority maintains schools is through the funding system put in place under Sections 45 to 53 of the School Standards and Framework Act 1998.

2. FINANCIAL CONTROLS

2.1 General Procedures

2.1.1 Application of Financial Controls in Schools

Schools with delegated budgets remain an integral part of the Authority and must ensure that financial control and monitoring procedures operate to the highest standard. While schools may determine the financial systems to be used, these are subject to the approval of the Executive Director of Finance. All financial procedures must be documented and comply with the requirements of the Authority's "Financial Regulations for Schools" and other guidance issued by the Executive Director of Finance or Executive Director of Adult Social Care and Children's Services (DCS).

2.1.2 Provision of Financial Information and Reports

The Authority is required to maintain its accounts, of which schools' accounts are part, in a prescribed form, and to enable it to comply with this requirement schools must make periodic financial returns to the Authority. Normally, such returns shall be quarterly, except where the Authority has notified the school in writing that it considers the school's financial position warrants more frequent returns. Where a school operates its accounts solely through the Authority's on-line accounting system, the 3 monthly interval will not apply.

Schools that decide to operate their own bank account are required to submit statements at least quarterly to the Executive Director of Finance. The format of the statement will be determined by the Executive Director of Finance, will be compatible with the Consistent Financial Reporting Framework and will include the school's current approved budget, a summary of actual income and expenditure, and give an explanation of any significant variations indicated by the figures from the planned profile.

Schools which decide not to operate their own bank account are required to submit at least quarterly returns of income collected by the school and expenditure paid

through the school's Local Account. However, reimbursement of Local Account expenditure will only be undertaken upon receipt of a return, and schools may prefer to continue to make monthly returns.

All statements and returns must be certified by the Headteacher and be sent to the Executive Director of Finance within two weeks of the quarter end.

2.1.3 Payment of Salaries and Bills

Schools must follow the policies and procedures prescribed by the Authority for the payment of salaries and bills.

2.1.4 Control of Assets

Schools are required to maintain a record of all moveable non-capital assets in a form to be determined by the authority and setting out the basic authorisation procedures for disposal of assets. However schools should be free to determine their own arrangements for keeping a register of assets worth less than £1,000 but they should keep a register in some form. The scheme should encourage schools to register anything that is portable and attractive, such as a camera.

Disposal of other assets owned by the Authority may only be undertaken with the written permission of the Authority.

2.1.5 Accounting Policies (including year end procedures)

Schools must follow the detailed written guidelines and procedures issued by the Executive Director of Finance.

2.1.6 Writing off Debts

Governors must follow the Authority's general procedures for debt collection, and may only write off debts in accordance with the Authority's "Financial Regulations for Schools". The Governors may authorise the Headteacher to write off debts up to a value of £50.

2.2 Basis of Accounting

The Authority accounts for schools on a cash basis and any financial returns must be completed on the same basis. School may decide to maintain their own accounting records on an alternative basis if they wish.

2.3 Submission of Budget Plans

Each school must submit to the Executive Director of Finance, no later than 1 May each year, a detailed budget plan for all the financial years within the multi-year budgeting period. The plan must take full account of estimated surplus/deficit at 31 March of that calendar year and be approved by either the full Governing Body or a Committee of the Governing Body with the specifically delegated power to set the initial budget. The plan must also be submitted electronically in the format prescribed by the Executive Director of Finance, include full details of the assumptions underpinning the plan and take account of and be compatible with the Consistent Financial Reporting framework.

Where a school with its own bank account fails to provide the required budget by 1 May, instalments will be limited to an amount only sufficient to cover direct pay costs. Schools without their own bank account that fail to provide a budget by 1 May will have their non-direct pay costs suspended.

2.3.1 Submission of Financial Forecasts

Each school must submit by 1 December each year a revised budget plan for the financial year, taking into account the latest information about expenditure and income, as well as details of expected retrospective adjustments to their budget

share. Schools must also submit by the same date a revised indicative budget plan for the following two financial years.

2.4 School Resource Management

Schools must seek the effective management of resources and value for money, to optimise the use of their resources and to invest in teaching and learning, taking into account the Authority's purchasing, tendering and contracting requirements.

It is for Headteachers and Governors to determine at school level how to secure better value for money. There can be significant variations in efficiency between similar schools, and so it is important for schools to review their current expenditure, compare it to other schools and think about how to make improvements.

2.5 Virement

Once the annual budget is set, Governors may transfer amounts between various budget heads provided that the overall budget is not changed. Any movements should be in line with the School Improvement Plan, and the Executive Director of Finance must be notified of any changes. The Governors may delegate to the Headteacher the power to vire amounts up to £1,000, or 0.5% of the budget share, whichever is the greater.

2.6 Audit - General

The Accounts and Audit Regulations 2003 require that the Authority maintain "an adequate and effective system of internal audit of their accounting records and control systems". This requirement extends to all activities of the Authority including schools.

Internal Audit has the right to visit any school, to inspect all records and to receive the co-operation of Governors and employees. Governors are required to respond in writing stating how they propose to address any matters raised in the audit report. The Authority's external auditor will have the same rights of access and inspection as Internal Audit.

The auditors will also report to the Executive Director of Finance and the Executive Director of Adult Social Care and Childrens' Services on any matters of significance or where Governing Bodies fail to take appropriate remedial action.

2.7 Separate External Audit

The Governing Body may have their delegated accounts independently certified by an external auditor if they feel the need to do so. The audit fee for such additional external audit work will have to be met by the school and may be charged against the delegated budget. Only suitably qualified auditors may be appointed and a copy of the auditor's report and certification must be sent to the Executive Director of Finance. The cost of the audit of other school funds must be met by the school and cannot be charged to the delegated budget.

2.8 Voluntary & Private Funds

The Governors may approve the operation of funds outside of the accounts maintained for delegated moneys. Where such funds exist, Governors are required to ensure that accounting arrangements are no less rigorous than those required for official moneys. The accounts must be inspected and certified by a suitable independent person and an annual statement must be presented to the Governing Body within four months of the end of the accounting period, a copy of the certified statement must also be sent to the Executive Director of Finance. Where income or expenditure exceeds £50,000 during the accounting period the accounts must be audited and certified by a suitably qualified accountant.

2.9 Register of Business Interests

The scheme must contain a provision which requires the governing body of each maintained school to have a register which lists for each member of the governing body and the head teacher:

- any business interests that they or any member of their immediate family have;
- details of any other educational establishments that they govern;
- any relationships between school staff and members of the governing body

Governing bodies are also required to:

- keep the register up to date with notification of changes and through annual review of entries;
- make the register available for inspection by governors, staff and parents, and the authority, and
- to publish the register, for example on a publicly accessible website.

2.10 Purchasing, Tendering and Contractual Requirements

The school must abide by the Authority's "Financial Regulations for Schools" in purchasing, tendering and contracting matters. This includes a requirement to assess in advance, where relevant, the Health and Safety competence of contractors, taking into account the Authority's policies and procedures. These regulations do not require a school to:

- do anything incompatible with the provisions of this Scheme, any statutory provision or any EU Procurement Directive;
- seek a countersignature from an officer of the Authority for any contract for goods or services below £60,000 per annum;
- select suppliers only from an approved list;

or would permit schools to seek fewer than three tenders or quotations in respect of any contract with a value exceeding £10,000 in any one year, subject to specific listed exceptions.

However, the Executive Director of Finance may agree specific financial limits with individual Governing Bodies.

Schools may seek advice from the DfE on a range of compliant deals via **Buying for schools**, available at: <https://www.gov.uk/guidance/buying-for-schools>

All orders must be placed using stationery approved by the Executive Director of Finance and must be signed by an authorised school employee. Contracts with suppliers which are not specifically recommended by the Authority and when there is a cost over more than one financial year may only be entered into after the terms and conditions have been approved by the school's legal adviser. Any contracts that involve services provided by specific staff may also only be entered into after the terms and conditions have been approved by the school's HR adviser. Contracts must be countersigned by the Chair of Governors, or by the Vice Chair in the absence of the Chair. Contracts that commit the school to expenditure of over £10,000, or are for a period of more than one year, must be specifically agreed in advance by the whole Governing Body.

2.11 Application of Contracts to Schools

Where responsibilities and the corresponding funding are delegated, schools are free to opt out of contracts arranged by the Authority, except where this Scheme provides otherwise. Before entering into any new contracts, schools are encouraged to seek and follow the advice and guidance of the Authority.

Where schools agree or have agreed to enter into a contract or service level agreement with the Authority for services paid for out of delegated budgets, irrespective of the date of delegation, schools may not make alternative arrangements until that contract or agreement expires, except with the specific written agreement of the Authority. Where a school agrees to be covered by contractual arrangements in respect of services for their school and where these are entered into by the Authority on their behalf, it may not make alternative arrangements until those contracts expire.

Under Paragraph 3 of Schedule 1 of the Education Act 2003 the Governing Body has the power to enter into contracts, but in most cases it does so on behalf of the Authority as maintainer of the school and the owner of the funds in the budget share. However, it is possible for the Governors to enter into a contract made solely on behalf of the Governing Body where it has clear statutory obligations, for example an Aided School offering a contract of employment.

2.12 Central Funds and Earmarking

Where the Authority provides schools with an additional allocation of funds from sources outside the scope of delegation, for example sums for SEN or other initiatives funded from the central expenditure of an authority's Schools Budget or other authority budget, they must ensure that any separate conditions and accounting requirements for such funds are followed. Unless otherwise specifically agreed in writing, such moneys cannot be applied to other purposes and must be returned if unspent at the end of the financial year or the appropriate accounting period.

The authority may not make any deduction in respect of interest costs to the authority from payments to schools of devolved specific grant.

2.13 Spending for the Purposes of the School

Governors may not spend their delegated budget outside of the purposes for which the Authority allocated the funds. However from April 2011, section 50(3A) of the School Standards and Framework Act 1988, amounts spent by Governing Bodies on community facilities or services under section 27 of the Education Act 2002 will be treated as if spent for any purposes of the school.

2.14 Capital Spending from Budget Shares

Governors may spend part of their budget share to meet the cost of capital expenditure on the school premises. This includes expenditure by the Governors of Voluntary Aided Schools on work which is their responsibility under Paragraph 3 of Schedule 3 of the School Standards and Framework Act 1998.

Governors must notify the Authority of all capital expenditure, and if it is expected that the total for the year might exceed £15,000 the Governors should inform the Authority in advance and take account of any advice offered as to the merits of the proposed expenditure. In the case of a Voluntary Controlled School or if the Authority owns the land or premises, their consent must be obtained in advance for all capital works, but such consent will only be withheld on Health and Safety grounds.

2.15 Notice of Concern

The LA may issue a notice of concern to the Governing Body of any school it maintains where, in the opinion of the Executive Director of Finance and the Executive Director of Adult Social Care and Childrens' Services, the school has failed to comply with any provisions of the Scheme, or where actions need to be taken to safeguard the financial position of the local authority or the school.

Such a notice will set out the reasons and evidence for it being made and may place on the Governing Body restrictions, limitations or prohibitions in relation to the management of funds delegated to it. These may include:

- insisting that relevant staff undertake appropriate training to address any identified weaknesses in the financial management of the school;
- insisting that an appropriately trained/qualified person chairs the Finance Committee of the Governing Body;
- placing more stringent restrictions or conditions on the day to day financial management of a school than the Scheme requires for all schools – such as the provision of monthly accounts to the local authority;
- insisting on regular financial monitoring meetings at the school attended by local authority officers;
- requiring a Governing Body to buy into a local authority's financial management systems; and
- imposing restrictions or limitations on the manner in which a school manages extended school activity funded from within its delegated budget share – for example by requiring a school to submit income projections and/or financial monitoring reports on such activities.

The notice will clearly state what these requirements are and the way in which and the time by which such requirements must be complied with in order for the notice to be withdrawn. It will also state the actions that the authority may take where the Governing Body does not comply with the notice.

2.16 Schools Financial Value Standard (SFVS)

The SFVS replaced the Financial Management Standard in Schools (FMSIS), which was withdrawn by the Secretary of State with effect from 15 November 2010.

Governing Bodies have formal responsibility for the financial management of their schools. The SFVS has been designed to assist schools in managing their finances and to give assurance that they have secure financial management in place.

All local authority maintained schools, including the pupil referral unit (PRU), are required to complete and submit the SFVS annually, before the end of the financial year. The SFVS will not be externally assessed. It will be used by the local authority to inform their programme of financial assessment and audit.

Governors must demonstrate compliance through the submission of the SFVS assessment form signed by the chair of governors. The form must include a summary of remedial actions with a clear timetable, ensuring that each action has a specified deadline and an agreed owner. Governors must monitor the progress of these actions to ensure that all actions are cleared within specified deadlines.

Due to the coronavirus (COVID-19) outbreak, DfE has decided that the SFVS return should be delayed in 2021. This is to take account of the current pressures schools and local authorities are facing. For the financial year 2020 to 2021, schools should submit their SFVS to their local authority by no later than 28 May 2021. Local authorities should submit their assurance statement to DfE within 6 weeks, by no later than 9 July 2021.

2.17 Fraud

All schools must have a robust system of controls to safeguard themselves against fraudulent or improper use of public money and assets.

The Governing Body and Headteacher must inform all staff of school policies and procedures related to fraud and theft, the controls in place to prevent them; and the consequences of breaching these controls. This information must also be included in the induction for new school staff and Governors.

3 BANKING ARRANGEMENTS; INSTALMENTS OF BUDGET SHARE

Schools that choose not to operate their own independent bank account will have access to their entire budget share from 1 April each year. For the purpose of this section, Budget Share includes any place-led funding for Special schools or Pupil Referral Units. They will also have access to an imprest account (known as a Local Account), which enables bills to be paid by cheque and allows access to limited amounts of cash. All schools may operate their own independent bank account, and the provisions of the paragraphs below only apply to schools that choose to operate their own independent bank accounts.

3.1 Frequency of Instalments

Schools that request their full budget to be paid into a bank account will receive an instalment at the beginning of each month. Schools which request their budget net of pay costs to be paid into a bank account will receive an instalment at the beginning of each term. Top up payments for pupils with high needs should be made on a monthly basis unless alternative arrangements have been agreed with the provider.

3.2 Proportion of Budget Share Payable at each Instalment

Where a school chooses to operate a bank account for its full budget share it will receive one twelfth of its budget share at each instalment. Where a school requests to operate a bank account net of pay costs, the total to be put into that account will be

1 April	42%
1 September	33%
1 January	25%

of the proportion of the budget share less the pay costs calculated based upon the information sent to the Executive Director of Finance before 31 March each year. Where there is a delay, the initial instalment will be calculated by the Executive Director of Finance using the general profile for other schools of that type together with the individual school's profile for previous years, taking into account any global budget changes. Subsequent instalments will be modified to take into account the actual pay costs once they become known or any variation of pay costs as notified under paragraph 2.3.

Amounts included in school budget shares pursuant to Regulation 29(1) of the Financing of Maintained Schools (England) Regulations 2002, will be placed at the disposal of the Governing Body of each school by 15 May each year, irrespective of any instalment arrangement applicable to the remaining amount of the school's budget share. The making available of this sum will be irrespective of the existence of any deficit relating to expenditure of the school's budget share. No interest claw back is to be applied to the amount before it is made available.

3.3 Interest Claw back

Where a school opts to operate an independent bank account, the budget share instalments paid into the account will be net of an amount equal to the estimated

interest lost by the Authority in making available the budget share in advance. The rate of deduction will be the 7-day deposit rate at the time of the instalment. In the case of termly advances, but not monthly advances, the claw back will be recalculated only if the 7-day rate changes during the course of the term by more than 2 percentage points. In the event of any late payments, interest will be added on the same basis. Full details are given in the Authority's "Financial Regulation for Schools". Schools operating their own bank accounts will be credited with additional sums in respect of specific or special grants, at the time of receipt by the Authority, and no deduction of interest will be made.

3.3.1 Interest on late budget share payments

Interest will be paid in respect of late payment of budget share instalments, where such payment is the fault of authority error. The interest rate used will be that used for claw back calculations.

3.4 Budget Shares for Closing Schools

For schools where approval for closure has been secured, the facility to have their full budget share paid into an independent bank account will not be available from 1 April in the year in which closure will occur. However, budget share net of estimated pay costs may still be paid into an independent bank account until closure.

3.5 Bank and Building Society Accounts

Schools that operate independent bank accounts will retain all interest payable on the account and will be responsible for all bank charges. Only schools without a deficit balance will be able to operate an independent bank account and therefore schools wishing to change to an independent bank account must clear any deficit balance first. Any decision to operate an independent bank account should be made and notified to the Executive Director of Finance giving at least three month's advance notice in writing. A new independent bank account will only be able to operate from either the beginning of a financial year or the beginning of an academic year. Once opened, any estimated surplus balance will be transferred into the account, with any amendments effected at a later date.

3.5.1 Restrictions on accounts

Schools may operate a bank account with any of the following banks or building societies:

- Barclays
- Lloyds
- TSB
- National Westminster
- Co-operative
- HSBC
- Royal Bank of Scotland
- Bank of Scotland
- Halifax
- Nationwide

Any independent bank account relating to budget share expenditure can be in the name of the school or jointly in the name of the school and Northumberland County Council. All moneys in such an account remain the property of the Authority until spent; the Authority is entitled to receive statements and can take control of the account if the school's right to a delegated budget is suspended by the Authority. Any school using an account at a bank not on the above list prior to 1 April 2001 can continue to do so for as long as that account remains open, but any new account must be at a bank from the approved list.

Where a school operates a Local Account that is part of an authority contract, the school should not enter into any arrangements for the use of direct debits or standing orders without the approval of the Executive Director of Finance (Cashiers and Income Management).

3.6 Borrowing by Schools

Governing Bodies may borrow money from an external source (which includes finance leases) only with the written permission of the Secretary of State, which is likely to be granted only in exceptional circumstances. However, schools may use any scheme which the Secretary of State has said is available to schools without specific approval, and this currently includes the Salix scheme which is designed to support energy saving. The Executive Director of Finance must be notified in writing of a school's intent to seek such permission at least ten working days before a request is made to the Secretary of State. It should be noted that borrowing includes credit cards and overdrafts, although procurement (debit) cards may be used as a useful means of facilitating electronic purchase. Schemes may also wish to permit the use of credit or charge cards. However, no interest charges should be incurred by the school, with balances fully cleared on a monthly basis

These restrictions do not apply to Trustees and Foundations, whose borrowing, as private bodies, makes no impact on Government accounts. However, these debts may not be serviced directly from the delegated budget, but schools are free to agree a charge for a service which the Trustees or Foundation are able to provide as a consequence of their own borrowing. Governing bodies do not act as agents of the authority when repaying loans.

These provisions do not apply to loan schemes run by the authority (see section 4.10). The introduction of IFRS 16 was postponed in relation to 2020 to 2021. It has been postponed again until April 2022.

3.7 Other Provisions

All independent bank accounts must be operated in accordance with the Authority's "Financial Regulations for Schools". These do not contain provisions requiring cheques to be signed only by the Authority's employees nor do they bar the use of direct debits and standing orders.

4 THE TREATMENT OF SURPLUSES AND DEFICIT BALANCES ARISING IN RELATION TO BUDGET SHARES

4.1 Right to Carry Forward Surplus Balances

The governing body of the school will be allowed to carry forward from one financial year to the next any surplus balance relative to the school's budget share for the year, plus/minus any balance brought forward from the previous year. A school's surplus balance on 1 April will be equal to that at the previous 31 March. With effect from 1 April 2007, surplus balances held by schools at the previous 31 March (commencing 31 March 2008) as permitted under this Scheme are subject to the following restrictions:

- (a) The Authority will calculate by 31 May each year the surplus balance, if any, held by each school as at the preceding 31 March. For this purpose, the balance will be recurrent balance category B01, as defined in the Consistent Financial Reporting (CFR) framework.
- (b) The Authority will deduct from the calculated balance any amounts for which the school has a prior-year commitment to pay from the surplus balance.

- (c) The Authority will then deduct from the resulting sum any amounts that the Governing Body of the school has declared to be assigned for specific purposes permitted by the Authority as listed below, and which the Authority is satisfied are properly assigned. To count as properly assigned, the area of expenditure must have been previously incorporated into the School Improvement Plan (or equivalent) in sufficient detail to justify the proposed expenditure and amounts must not be retained beyond the period stipulated for the purpose in question, without the consent of the Authority. In considering whether sums are properly assigned the Authority may also take into account any previously declared assignment of such sums but may not take any change in planned assignments to be the sole reason for considering that a sum is not properly assigned;
- Repair and maintenance projects for school buildings;
 - A revenue contribution towards a Capital building project;
 - School security, energy efficiency or Health and Safety projects;
 - Refurbishment of classrooms, library or resources areas;
 - Acquisition and installation of ICT and telephone systems;
 - The total cash value of unspent money or grants from external organisations given for a specific purpose or project, and this includes Pupil Premium Grant.
 - Provision for future falling rolls.
 - Specific projects within School Improvement Plan linked to raising standards
- (d) If the result of steps (a) to (c) is a sum in excess of 10% of the new financial year's budget share for High/Secondary and Middle Schools, 16% for First/Primary and Special Schools, then the Authority will deduct from the current year's budget share an amount equal to the excess.

Funds paid into the budget share account of the school deriving from sources other than the Authority will be taken into account in this calculation, whether under provisions in this Scheme or otherwise. However, funds held in relation to a school exercising its powers under Section 27 of the Education Act 2002 (Community Powers Facility) will not be taken into account, unless added to the budget share surplus by the school as permitted by the Authority under paragraph 13.7 of this Scheme.

The total of any amounts deducted from schools' budget shares by the Authority under this provision will be applied to the Schools Budget of the Authority.

4.2 Reporting on the Intended Use of Surplus Balances

Governors are required to report to the Executive Director of Finance by 1st July each year on the use which they intend to make of any surplus balance which existed on the previous 31 March where that surplus is in excess of 10% of the school's budget share for High/Secondary and Middle schools or 16% in the case of First/Primary and Special schools. Such a report must include evidence from e.g. the relevant School Improvement Plan demonstrating that the commitment was made well before the end of the financial year.

4.3 Interest on Surplus Balances

If schools decide to continue with the existing Local Account system where the Authority holds balances on behalf of schools then interest will be paid. The basis of the calculation of interest is included in the Authority's "Financial Regulations for Schools".

4.4 Obligation to Carry Forward Deficit Balances

Although schools should not normally have a deficit balance at the end of the year, if a deficit occurs it will be carried forward and deducted from the following year's budget share.

4.5 Planning for Deficit Budgets

Schools can plan for deficits only in certain approved circumstances. The Governors are required to obtain the written approval of the Executive Director of Finance prior to the setting of their budget to an amount higher than their budget share plus any balances brought forward (surplus or deficit) from the previous financial year. In the event of approval being given the deficit will be deducted from the following year's budget share unless other arrangements are agreed with the Executive Director of Finance.

4.6 Charging of Interest on Deficit Balances

Deficit balances held by schools that are not approved by the Executive Director of Finance as licensed deficits will incur interest charges. The method of calculation of interest charges is detailed in the Authority's "Financial Regulations for Schools".

4.7 Writing Off Deficits

The Secretary of State will not allow a school's deficit balance to be written off by the Authority

4.8 Balances of Closing and Replacement Schools

When a school closes the balance (whether surplus or deficit) reverts to the Authority. The balance cannot be transferred to any other school, even where the school is a successor to the closing school. However, where a new school is a successor to a school that closes with a deficit, any additional funding allocated to the new school may be abated by an amount up to the deficit balance from the old school, although not against any normal funding of the new school.

4.9 Licensed Deficits

Schools should contain their annual spending within the total resources available to them, but where this is impossible the Governors may seek the approval of the Authority to plan for a deficit. Schools wishing to avail themselves of this facility should write to the Executive Director of Adult Social Care and Childrens' Services at the earliest possible opportunity, giving details of how the deficit has arisen and how they plan to eliminate the deficit and over what timescale. The Executive Director of Adult Social Care and Childrens' Services will liaise with the Executive Director of Finance before requesting that the Executive Director of Finance approve the deficit.

Approval for a deficit will only be given where a Governing Body produces firm and realistic proposals to bring its spending into line with available resources and remove any deficit within two financial years. It may be agreed that this period can be up to three financial years, or in exceptional circumstances, an alternative period as agreed by the Executive Director of Finance and Executive Director of Adult Social Care and Childrens' Services.

Deficits will normally only be agreed for schools where there has been an unexpected and significant reduction in pupil numbers resulting in a deficit balance carried forward from the previous financial year. However, in exceptional circumstances, deficits may be agreed for other reasons, for example where not to do so would incur greater costs to the school or the Authority.

The maximum deficit that will normally be approved will be the lesser of 8% of the school budget share, or the following figures according to the phase of the school:

- First / Primary : £75,000

- Middle : £150,000 or
- Secondary/High : £300,000

In exceptional circumstances a higher amount may be approved, with the agreement of the Executive Director of Finance and Executive Director of Adult Social Care and Childrens' Services. The total of all approved deficits will not be more than 40% of the collective school surplus balances held by the Authority. Schools' balances held in independent bank accounts will be excluded from this calculation, unless invested with the Authority.

In circumstances where a school requires a budget share advance in order not to be overdrawn at their bank, this should be treated as a cash advance and not a loan. This will have no effect on the school's budget and outturn statements.

4.10 Loan Schemes

The Authority makes available to schools a Loans Scheme to support school capital improvement, which will be funded by the collective use of all the schools' balances that are lodged with the Authority. The total of all approved loans and licensed deficits will not exceed 40% of the collective school surplus balances held by the Authority. Schools' balances held in independent bank accounts will be excluded from this calculation, unless invested with the Authority. Schools wishing to avail themselves of this facility should apply to the Executive Director of Finance in accordance with the procedure specified in the Scheme.

From 22 March 2018 the Secretary of State for Education has directed that the following text be incorporated into the schemes of all local authorities in England:

“Loans will only be used to assist schools in spreading the cost over more than one year of large one-off individual items of a capital nature that have a benefit to the school lasting more than one financial or academic year. Loans will not be used as a means of funding a deficit that has arisen because a school's recurrent costs exceed its current income. If loans are made to fund a deficit and a school subsequently converts to academy status, the Secretary of State will consider using the power under paragraph 13(4)(d) of Schedule 1 to the Academies Act 2010 to make a direction to the effect that such a loan does not transfer, either in full or part, to the new Academy school.”

5 INCOME

5.1 Income from Lettings

Schools will retain any income generated from the letting of the school premises, subject to alternative provisions arising from any joint use or PFI agreements. Charges for lettings should cover the costs of the letting, although income from community and voluntary lettings can be cross subsidised with income from other lettings to ensure that there is overall no net cost to the budget share. Any income from lettings must not be paid into voluntary or private funds held by the school. Schools are required to have regard to directions issued by the Authority as to the use of school premises as permitted under the School Standards and Framework Act 1998 for various categories of schools. However, where land is held by a charitable trust, it will be for the school's trustees to determine the use of any income generated by the land

5.2 Income from Fees and Charges

Schools are allowed to retain income from fees and charges except where a service is provided by the Authority from centrally retained funds. When determining fees and charges, schools must have regard to any policy statements on charging produced by the Authority.

5.3 Income from Fund Raising Activities

Income from fund raising activities will be retained by schools.

5.4 Income from the Sale of Assets

The proceeds from the sale of assets owned by the school or the Authority will be retained by the school except where the asset was purchased with funds that were not delegated at the time of the sale. In such cases, the Authority will decide whether or not the school should retain the proceeds. Where the asset concerned is land or buildings forming part of the school premises and is owned by the Authority, the Authority shall retain the income.

5.5 Administrative Procedures for the Collection of Income

All income due to the school for the supply of goods and services should be collected promptly, ideally in advance of the provision of those goods or services. Notes of guidance on the collection of income will be issued to schools and updated on a regular basis.

5.6 Purposes for which Income may be Used

Income from the sale of assets purchased with delegated funds may only be spent for the purposes of the school.

6 THE CHARGING OF SCHOOL BUDGET SHARES

6.1 General Provision

6.1.1 The Authority needs to protect its financial position from liabilities caused by the action or inaction of Governing Bodies. In exceptional circumstances, therefore, it may be necessary for school budget shares to be directly charged without the consent of the Governing Body. The Authority does not wish to act unreasonably in exercising this power, and schools are encouraged to seek the Authority's advice before taking decisions about any of the matters listed in paragraphs 6.2 and 6.3. If direct charging becomes necessary, the Authority will notify schools of the intention to make a charge as well as when that charge has been processed. If a school disputes the charge the matter will be referred to the Council's Monitoring Officer who will arrange an arbitration service which will be binding on all parties. Local Authorities may de-delegate funding for permitted services without the express permission of the Governing Body, provided this has been approved by the appropriate phase representatives of the Schools Forum.

6.1.2 The Authority must charge the salaries of school based staff to school budget shares at actual cost including National Insurance, pension contributions and any other directly attributable costs.

6.2 Costs Incurred in Securing the Termination of Employment Contracts

Any school considering the termination of the employment contract of a member of staff employed to work at the school must seek the specific advice of the Authority before making any formal commitment to terminate the employment contract whether or not the school has access to any other source of relevant advice.

Costs incurred in respect of the premature retirement (including ill-health retirement) of any member of staff of a maintained school shall be met from the budget share of the school, unless in the most exceptional circumstances the Authority has agreed in writing before the retirement occurs that it will meet all or part of the cost. It should be noted that early release of pension with or without enhancement gives rise to long term commitments which must be honoured by the school until the pension ceases to be

payable, although this can be discharged by a lump sum payment to the pension provider and in some cases there is a requirement to do so.

Costs incurred in securing the termination of employment of any member of school staff employed for community purposes shall be met by the Governing Body of the school, unless in the most exceptional circumstances the Authority has agreed in writing before the termination occurs that it will meet all or part of the cost.

From 1 April 2013, the budget for the costs of school redundancies and terminations of employment was delegated to schools as part of their budget shares. The costs arising from any termination of employment determined by Governing Bodies will be met from the delegated budget share, spread if necessary over a number of years.

The Authority may offer a contribution to any redundancy cost at its sole discretion where it deems that it would be unreasonable in all the circumstances to expect the school budget share and other income of the school to meet the whole cost of a particular redundancy.

Where a partnership agreement relevant to the particular employment is in force, the termination costs will be charged proportionately against the budget shares of the partner schools as specified by the partnership agreement or in the absence of such a specification in proportion to the respective numbers of pupils at the schools.

School budget shares will be charged for the costs arising from any termination of employment, including costs awarded by Courts and Employment Tribunals or out of court settlements, where one or more of the circumstances set out below are applicable:

- (a) any expenditure incurred to secure an agreement with the employee to terminate their contract of employment (usually known as a Settlement Agreement);
- (b) any expenditure associated with the termination of employment where the school has not sought and followed the Authority's advice in a timely manner;
- (c) an offer intended to secure the termination of employment has been made by the school at terms which vary from the Authority's current policy;
- (d) it appears to the Authority that the proposed termination is aimed at avoiding the need to deal with a performance, capability or ill-health issue which should be or should have been managed through other processes;
- (e) the school has not informed the authority in writing at the earliest practicable opportunity of changed circumstances which give rise to the need to reduce employee numbers and the proposed change in employee numbers;
- (f) staffing reductions arising from a deficit caused by, or made worse by, factors mainly or wholly within the school's control;
- (g) excessive staffing reductions arising from a failure to respond to changes to the funding or cost context of the school in a timely fashion;
- (h) where the termination of the employment of staff is associated with the reduction or cessation of activities supported by an income stream from a grant making body;
- (i) the post is, has been in the past, or should be supported by the generation of traded income or income generated from a source other than the Authority's budget allocations to the school;
- (j) the post deleted is one within the Authority's staffing structures where the postholder works exclusively at the school through an SLA or other trading agreement and the termination of employment is a consequence of a decision taken by the school;
- (k) the school has not actively engaged with the Authority's redeployment policy and redeployment processes;

- (l) the school held a surplus revenue balance at the previous financial year end;
- (m) staffing reductions which the local authority does not believe are necessary to set a balanced budget or to meet the conditions of a licensed deficit;
- (n) the school reached the end of the previous financial year with an unlicensed deficit which arose during the year, or a deficit that exceeded a licensed deficit;
- (o) the school has a licensed deficit and the termination of employment has not been identified as necessary within the agreed deficit recovery plan;
- (p) the school has a licensed deficit but has failed to achieve the outcomes specified by the license or otherwise failed to act in accordance with the terms of the license;
- (q) the school's budget per pupil for the new financial year has increased in real terms over the budget per pupil for the previous year;
- (r) the school's pupil roll at the most recent annual census count has increased over the census count for the preceding year;
- (s) the school receives an allocation within its budget share to bring the budget share up to the government's guaranteed minimum funding level;
- (t) the school receives any additional funding allocation from the Authority above the budget share generated by the funding formula, other than in respect of Statemented pupils or other pupils with High Needs;
- (u) the revenue savings anticipated to be achieved within the two full academic years following the termination of employment are equal to or greater than the costs incurred;
- (v) the school has appointed to a permanent post with broadly similar responsibilities within the three years prior to the date of termination of employment;
- (w) the school appoints to a post with broadly similar responsibilities within one year after the termination;
- (x) the school has not over time effectively managed and reviewed the structure of Teaching and Learning Responsibility allowances and/or the leadership structure of the school;
- (y) the approach undertaken by the Governing Body appears to the Authority not to select the most appropriate post(s) for termination;
- (z) the selection criteria do not appropriately take into account the relative severance costs of the individuals in the "pool" from whom selection is being made;
- (aa) the Authority determines that the school has not made all practicable efforts to avoid the need for termination of an employment contract;
- (bb) the staffing reduction is an element of a package of changes which taken as a whole would be likely to increase the costs of operating the school;
- (cc) the postholder appointed to the post proposed for deletion by the school took up post within the three years prior to the date of termination of employment;

although when none of the above circumstances apply the Authority may at its sole discretion offer a contribution from its own budget to any redundancy cost where it deems that it would be unreasonable in all the circumstances to expect the school budget share and other income of the school to meet the whole cost of a particular redundancy. Due notice of the charge and details of any calculation made will be given by the Authority. However, in the event of any error, a correction will be made and the Governing Body will not be entitled to reject the charge.

6.3 Other Circumstances in which Charges may be Made

- (a) Awards by Courts and Employment Tribunals against the Authority, or out of court settlements, arising from action or inaction by the Governing Body contrary to the advice of the Authority which must have been sought in a timely manner.
- (b) Expenditure incurred by the Authority in carrying out Health and Safety work, or capital expenditure for which the Authority is liable where funds have been delegated to the Governing Body for such work, but the Governing Body has failed to carry out the required work.
- (c) Expenditure by the Authority incurred in making good defects in building work funded by capital spending from budget shares or other devolved or delegated budgets, where the premises are owned by the Authority or the school has Voluntary Controlled status.
- (d) Expenditure incurred by the Authority in insuring its own interests in a school where funding has been delegated but the school has failed to demonstrate that it has arranged cover at least as good as that which would be arranged by the Authority.
- (e) Recovery of monies due from a school for services set out in a service agreement, where a dispute over the moneys due has been referred to the disputes procedure set out within the terms of the agreement, and the result is that monies are owed by the school to the Authority.
- (f) Recovery of penalties imposed on the Authority by the Board of Inland Revenue, the Contributions Agency, HM Customs and Excise, Teachers Pensions or regulatory authorities as a result of school negligence or failure to comply with the appropriate regulations.
- (g) Correction of the Authority's errors in calculating charges to a budget share, for example pension deductions.
- (h) Additional transport costs incurred by the Authority arising from decisions by the Governing Body on the length of the school day, and failure to notify the Authority of non-pupil days resulting in unnecessary home to school transport costs.
- (i) Legal costs that are incurred by the Authority because the Governing Body did not seek and follow the advice of the Authority in a timely manner (see also section 11.4).
- (j) Costs of necessary Health and Safety and Child Protection training for staff employed by the Authority, where the funding for the training has been delegated but the necessary training has not been carried out.
- (k) Compensation paid to a lender where a school enters into a contract for borrowing beyond its legal powers, and the contract is of no effect.
- (l) Expenditure necessarily incurred by the Authority to rectify a failure by the school to carry out its financial responsibilities.
- (m) Cost of work done in respect of teacher pension remittance and records for schools using non-Local Authority payroll contractors, the charge to be the minimum needed to meet the costs of the Authority's compliance with its statutory obligations.
- (n) Costs of providing the provision specified in a pupil's Statement of Special Educational Need or Education Health and Care (EHC) Plan, where the responsibility for that provision has been delegated but the necessary provision has not been put into place.
- (o) Additional costs awarded against the Authority arising from the decision of an Appeal Panel, Local Ombudsman, Courts or SEN Tribunals in relation to the Special Educational Needs of a pupil with a Statement where the Governing Body has failed to make the appropriate provision as specified in the pupil's Statement or EHC Plan.

- (p) Costs incurred by the Authority due to the submission by the school of incorrect or late data.
- (q) Recovery of amounts spent from specific grants on ineligible purposes.
- (r) Costs incurred by the Authority as a result of the Governing Body being in breach of the terms of a contract or failing to seek in advance of letting a contract the necessary approvals as set out in paragraph 2.10 above.
- (s) Cost incurred by the Authority or another school as a result of the school withdrawing from a cluster arrangement, for example where this has funded staff providing services across the cluster.
- (t) Agreed contribution relating to any PFI project at a school, as set out in the PFI revenue agreement (see Section 9).
- (u) Costs incurred by the authority in administering admissions appeals, where the local authority is the admissions authority and the funding for admission appeals has been delegated to all schools as part of their formula allocation.
- (v) A £5,000 minimum charge to schools converting to academy status in order to recoup the costs to the local authority in relation to the academy conversion process.

7. TAXATION

7.1 Value Added Tax (VAT)

The Authority is able to reclaim from H.M. Customs and Excise on behalf of schools the net cost of any VAT incurred by schools on non-business activities. However, this does not include expenditure by the Governors of a Voluntary Aided School when carrying out their statutory responsibilities to maintain the external fabric of their buildings

In relation to the funding made available by the Authority, schools act as an agent of the Authority. All schools are required to provide returns to the Executive Director of Finance in order that VAT can be reclaimed and the school can be reimbursed.

7.2 Construction Industry Taxation Scheme (CIS)

All schools are required to abide by the procedures issued by the Executive Director of Finance in relation to CIS.

8 THE PROVISION OF SERVICES AND FACILITIES BY THE AUTHORITY

8.1 Provision of Services from Centrally Retained Budgets

In accordance with Section 48 of the School Standards and Framework Act 1998, it is for the Authority to determine on what basis services from centrally retained funds will be provided, and this includes termination of employment costs. In providing services, the Authority will not discriminate on the basis of category of school, except in cases where this would be allowable under the school and early years finance regulations or the dedicated schools grant (DSG) conditions of grant

8.2 Timescales for the Provision of Services bought from the Authority using Delegated Budgets

Any service level agreements offered will be for a maximum duration of three years and a minimum duration of one year. Any subsequent agreement relating to the

same services will not exceed five years. For service level agreements relating to catering services, the maximum periods will be five years.

8.2.1 Packaging

When offering schools the opportunity to buy services from their delegated budgets, the Authority will not package those services in such a way that unreasonably restricts schools freedom of choice, and where practicable provision will be offered on a service by service basis.

8.3 Service Level Agreements

The terms of any services or facilities offered by the Authority, whether free or on a buy-back basis, will be reviewed at least once every three years. However, centrally funded premises and liability insurances are specifically excluded from this requirement. Schools will be given a minimum of one month to consider the terms of any new agreement before the date of operation. Where practicable, the Authority will provide services on a pay as you use basis. The prices for each service level agreement will be set at a level that ensures that the total income generated is at least equal to the cost of providing that service.

8.4 Provision of Information under the Teachers' Pensions Regulations 1997

In order to ensure that the performance of the duty on the Authority to supply Teachers Pensions with information under the Teachers' Pensions Regulations 1997, the following conditions are imposed on the Authority and Governing Bodies of all maintained schools covered by this Scheme in relation to their budget shares and came into effect on 1 November 2002. These conditions only apply to Governing Bodies of maintained schools that have not entered into an arrangement with the Authority to provide payroll services.

A Governing Body of any maintained school, whether or not the employer of the teachers at such a school, which has entered into an agreement with a person other than the Authority to provide payroll services, shall ensure that any such arrangement or agreement is varied to require the person to supply the salary, service and pensions data to the Authority which the Authority requires to submit its annual return of salary and service to Teachers' Pensions and to produce its audited contributions certificate. The Authority will advise schools each year of the timing, format and specification of the information required. A Governing Body shall also ensure that any such arrangement or agreement is varied to require that Additional Voluntary Contributions (AVCs) are passed to the Authority within the time limit specified in the AVC scheme. The Governing Body shall meet the consequential costs from the school's budget share.

A Governing Body of any maintained school which directly administers its payroll shall supply the salary, service and pensions data to the Authority which the Authority requires to submit its annual return of salary and service to Teachers' Pensions and to produce its audited contributions certificate. The Authority will advise schools each year of the timing, format and specification of the information required. A Governing Body shall also ensure that Additional Voluntary Contributions (AVCs) are passed to the Authority within the time limit specified in the AVC scheme. The Governing Body shall meet the consequential costs from the school's budget share.

9 PRIVATE FINANCE INITIATIVES (PFI)

Should the Authority propose to enter into a contract for a PFI project in the future, the Governing Body of the school(s) concerned will be consulted about the terms of any financial implications that the project may incur.

The agreement will formally set out the power of the LA to charge to the school's budget share amounts agreed under the PFI agreement entered into by the governing body of the school(s). See paragraph 6.3 (t).

10 INSURANCE

If a school requests the delegation of the insurance budget relating to their school, the Authority will require the school to demonstrate that cover relevant to the Authority's insurable interests, under a policy arranged by the Governing Body, is at least as good as the relevant minimum cover arranged by the Authority. The evidence required to demonstrate the parity of cover should be reasonable, not place an undue burden upon the school, nor act as a barrier to the school exercising their choice of supplier.

Instead of taking out insurance, a school may join the Secretary of State's Risk Protection Arrangement (RPA) for risks that are covered by the RPA. The scheme should contain a provision which allows schools to join the RPA after 1st April 2020. Schools may do this individually when any insurance contract of which they are part expires.

The scheme should also provide for all primary and/or secondary maintained schools to join the RPA collectively by agreeing through the Schools Forum to de-delegate funding.

11 MISCELLANEOUS

11.1 Right of Access to Information

Schools are required to provide the Authority with all financial and other information that might reasonably be required to enable the Authority to satisfy itself as to the school's management of its budget share or the use made of any centrally retained funds which are allocated to the school.

11.2 Liability of Governors

The Governing Body is a corporate body, and under Section 50 paragraph 7 of the School Standards and Framework Act 1998, individual Governors of maintained schools will not incur personal liability in the exercise of their power to spend the delegated budget share provided that they act in good faith.

11.3 Governors' Expenses

Under Section 11 of the School Standards and Framework Act 1998, only allowances specified in Regulations may be paid to Governors from the school's delegated budget share. Where the Secretary of State makes payment to any additional Governors appointed to any school under Special Measures, schools may not make any payments which duplicates those payments.

Where a school has yet to receive a delegated budget, the Authority may delegate to the Governing Body funds to meet Governors' expenses, to be paid at rates prescribed by the Authority.

11.4 Responsibility for Legal Costs

Any costs arising from legal action incurred by a Governing Body (although the responsibility of the Authority as part of the cost of maintaining the school unless they relate to the statutory responsibility of the Governors of an Aided School for buildings) may be charged to the school's budget share unless the Governing Body has sought and acted in accordance with the advice of the Authority in a timely manner.

Where there is a conflict of interest between a school and the Authority, Governors should ensure that they make their own independent arrangements for legal advice.

11.5 Health and Safety

In expending their budget share, Governing Bodies must have due regard to the duties placed on the Authority in relation to Health and Safety and to the Authority's policy on Health and Safety matters.

11.6 Right of Attendance for the Executive Director of Finance

Governing Bodies shall permit the Executive Director of Finance, or any officer nominated by the Executive Director of Finance, to attend any meeting of the Governing Body at which an agenda item is relevant to the exercise of his/her responsibilities. Prior notice of attendance will be given wherever possible.

11.7 Delegation to New Schools

The Authority will delegate powers, selectively and optionally, to the Governing Body of schools that are yet to receive a delegated budget.

11.8 Optional Items of Delegation

Where a school opts to have delegated or devolved any responsibility that is not delegated to all schools of that type or phase that option may only be exercised by giving three months' notice with the delegation to take effect from the beginning of the financial year.

11.9 Special Educational Needs

By virtue of Section 317 of the Education Act 1996, in expending their budget share, Governors are under a duty to use their best endeavours to secure that any educational provision needed by a pupil with Special Educational Needs is made.

11.10 Interest on Late Payments

Governors should note that any interest charged by a supplier for the late payment of an invoice falls to be met from the school budget share unless met by the provider of an invoice paying service.

11.11 Whistleblowing

Governors must ensure that they adopt and follow the Authority's policy that safeguards the interests of whistleblowers.

11.12 Child Protection

In expending their budget share, Governing Bodies must have due regard to the agreed Child Protection guidelines and the obligations these place on both the school and the Authority.

11.13 School Meals

In any school that has delegated to it the responsibility for the provision of school meals, in expending its budget share the Governing Body must have regard to any policy statement of the Authority on school meals.

12 RESPONSIBILITY FOR REPAIRS AND MAINTENANCE

In line with the Authority's custom and practice and also its interpretation of the CIPFA code of practice, all new build will be funded from centrally held or devolved capital budgets. Similarly, all repair and maintenance costs relating to existing buildings will have to be met by Governing Bodies from their budget shares or from devolved formula capital, except where the Local Authority agrees to make a contribution from its limited central capital budget. For Voluntary Aided Schools, the

liability of the Authority for repairs and maintenance (albeit met by delegation of funds through the budget share) is the same as for other maintained schools. However, eligibility for capital grant from the Secretary of State for capital works at Voluntary Aided Schools depends on the de minimis limit applied by DfE to categorise such work, and if the value of work is below this limit then the financial liability rests with the Governing Body.

13 COMMUNITY POWERS FACILITY

13.1 Introduction

Any school that chooses to exercise the power conferred by Section 27(1) of the Education Act 2002 to provide community facilities will be subject to a range of controls. Firstly, Regulations made under Section 28(2), if made, can specify activities that may not be undertaken at all under the main enabling power. Secondly, schools are obliged to consult the Authority and have regard to its advice. Thirdly, the Secretary of State will issue guidance to Governing Bodies about a range of issues connected with exercise of the power, and schools must also have regard to that advice.

However, under Section 28(1), the main limitations and restrictions on the power will be those contained in the Northumberland's Scheme for Financing Schools made under Section 48 of the School Standards and Framework Act 1998. Paragraph 2 of Schedule 3 to the Education Act 2002 extends the coverage of Schemes to include the exercise of the powers to provide community facilities.

Schools are therefore subject to prohibitions, restrictions and limitations in the Scheme for Financing Schools.

This section of the Scheme does not extend to joint-use agreements, transfer of control agreements, or agreements between the Authority and designated schools to secure the provision of adult and community learning.

Schools are reminded that mismanagement of community facilities can be grounds for suspension of the right to a delegated budget.

13.2 Consultation with the Authority: Financial Aspects

In accordance with Section 28(4) of the Education Act 2002, before exercising the community facilities power, the Governing Body must consult the Authority regarding its proposals and have regard to its advice. In addition, where the proposed facility relates to Early Years or to Childcare provision, the Governing Body must consult the Commissioner for Primary and Early Years and also have regard to their advice.

Schools are encouraged to seek the Authority's advice and submit their proposals as soon as possible, but no later than 2 months before the intended start date. When submitting their proposals formally, schools must include a detailed business plan containing the following information:

- the school's vision and a detailed description of the service
- details of any capital expenditure and the sources of income to fund it
- a detailed profile of projected income and revenue expenditure over the first 12 months of operation of the project. In particular, this should include:
 - one-off start-up costs
 - details of staffing and associated costs (pay, on-costs, payroll and personnel overheads, etc.)
 - sources of revenue income and the assumptions underlying it

- an outline profile of the projected income and revenue expenditure in years 2 to 5 of the project
- the time it will take for the project to break-even and come into surplus, and if this is not expected within 12 months of starting, an explanation of why this cannot be achieved within this timescale
- how the Governing Body will cover any shortfall if the project fails and leaves a deficit
- details of the cash flow of the business, and how any shortfall will be met given that schools cannot borrow from external sources
- proposed banking arrangements
- proposed audit arrangements
- details of the Health and Safety arrangements and of the risk assessments the school has undertaken
- details of the analysis of insurance requirements for the venture and of any additional cover that is to be arranged
- whether or not VAT is to be reclaimed, the justification for this and what consultation there has been with the local VAT office.

Schools are encouraged to seek professional advice as they develop their plans and to ensure that any submission is complete before formally seeking the Authority's advice about their proposals.

The Authority will respond to the school's proposals as soon as practically possible, in most circumstances within 6 school weeks of receipt of complete information. Where the Authority offers advice to a school, the school must inform the Authority of the action it has taken in response to that advice before embarking upon the Scheme.

13.3 Funding Agreements: Local Authority Powers

Where the provision of community facilities in a school is dependent on the conclusion of a funding agreement with a third party which will either be supplying funding or supplying funding and taking part in the provision, the school shall not enter into such an agreement until it has submitted the proposed agreement to the Authority and taken proper account of its advice and comments. Proposed agreements should be submitted to the Authority as soon as possible, but no later than 3 months prior to the proposed date of signing. The Authority will not be a signatory to any such agreement, unless this is a requirement imposed by the third party or by the Governing Body itself.

If such an agreement has been or is to be concluded against the wishes of the Authority, or has been concluded without informing the Authority, and in the view of the Authority the agreement is seriously prejudicial to the interests of the school or the Authority, that may constitute grounds for suspension of the right to a delegated budget.

13.4 Other Prohibitions, restrictions and limitations

Whereas the Authority does not have the right of veto to either funding agreements with third parties or other proposed uses of the community powers facility, the Authority reserves the right in specific instances to require that the Governing Body shall protect the financial interests of the Authority by either carrying out the activity concerned through the vehicle of a limited company formed for the purpose, or by obtaining indemnity insurance for the risks associated with the project, as specified by the Authority.

The Authority does not intend to impose any additional prohibitions, restrictions or limitations on the use of the community facilities power.

13.5 Supply of Financial Information

Schools that exercise the community facilities power are required to submit a budget plan to the Executive Director of Finance no later than 1 May each year. The format of the statement will be determined by the Executive Director of Finance.

Should the Authority have reason to give notice to the school that it believes there to be cause for concern as to the school's management of the financial consequences of the exercise of the community facilities power, the school will be required to submit financial statements at quarterly intervals, and if necessary to provide the Authority with a recovery plan for the activity in question.

All statements and returns must be certified by the Headteacher and be sent to the Executive Director of Finance.

All income and expenditure relating to the community powers facility must be included within the Consistent Financial Reporting Framework returns of the school.

Schools should note that Schedule 3 of the Education Act 2002 inserts a new provision into Schedule 15 of the School Standards and Framework Act 1998 to make mismanagement of funds received for community facilities the basis for suspension of the right to delegation of the budget share.

13.6 Audit

Internal Audit has the right to visit any school, to inspect all records relating to the exercise of the community powers facility and to receive the co-operation of Governors and employees. Governors are required to respond in writing stating how they propose to address any matters raised in the audit report. The Authority's external auditor will have the same rights of access and inspection as Internal Audit. Auditors will also report to the Executive Director of Finance on any matters of significance or where Governing Bodies fail to take appropriate remedial action.

Where schools enter into agreements with other persons or bodies pursuant to the exercise of the community facilities power, they shall ensure that such agreements contain adequate provision for access by the Authority to the records and other property of those persons held on the school premises, or held elsewhere insofar as they relate to the activity in question, in order for the Authority to satisfy itself as to the propriety of expenditure on the facilities in question.

13.7 Treatment of Income and Surpluses

Schools will retain all income derived from community facilities except where otherwise agreed with a funding provider, whether that be the Local Authority or some other person. Any surplus income over expenditure generated during the financial year will be carried forward over into the following financial year in the community facilities account. Similarly, any deficit accrued during the financial year will be carried forward over into the following financial year in the community facilities account. Where a school wishes to transfer all or part of any accumulated surplus and add it to the budget share balance, the school should seek the agreement of the Authority before doing so.

Where the Authority ceases to maintain the school, any accumulated retained income obtained from exercise of the community facilities power reverts to the Authority unless otherwise agreed with a third party funding provider.

13.8 Health and Safety Matters

When exercising the community facilities power, the Governing Body must discharge its Health and Safety responsibilities in the same way as it does in relation to the

budget share. All the Health and Safety provisions of the main Scheme apply to the community facilities power.

When exercising the community facilities power, the Governing Body are responsible for securing and meeting the costs of any necessary Criminal Records Bureau clearance for those involved in the activity.

13.9 Insurance

When exercising the community power facility, the Governing Body must undertake an assessment of the insurance implications and costs, seeking professional advice if necessary, and demonstrate that it has made adequate arrangements for insurance cover. The school must seek the Authority's advice before finalising any insurance arrangements.

The Authority will undertake its own assessment of the insurance arrangements made by a school in respect of community power facilities, and if it judges those arrangements are inadequate, it will make the necessary arrangements itself and charge the resultant cost to the school.

The Governing Body of the school will be responsible for the costs of securing Criminal Records Bureau clearance for all adults involved in community activities taking place during the school day. Governing Bodies will be free to pass on such costs to a funding partner as part of an agreement with that partner.

13.10 Taxation

Schools must seek the advice of both the Authority and the local VAT office on any issues relating to the possible imposition of VAT on expenditure in connection with any community powers facility, including the use of the Authority's VAT reclaim facility.

Schools are also reminded that if any member of staff employed by the school or the Authority in connection with community facilities at the school is paid from funds held in the school's own bank account set up for the purpose (see section 11), the school will be liable for payment of income tax and National Insurance, in line with Inland Revenue rules.

Schools are reminded that they are required to follow the Authority's advice in relation to the Construction Industry Scheme where this is relevant to the exercise of the community facilities power.

13.11 Banking

Where a school exercises the community power facility and the school already operates an independent bank account for its budget share, it shall open a separate independent bank account for transactions relating to community facilities. Where a school exercises the community power facility and the school uses the Authority's banking facilities account for its budget share, it shall either open an independent bank account for transactions relating to community facilities or use the Authority's banking facilities but ensure that all transactions are kept separate from budget share transactions.

Any independent bank account relating to community facilities expenditure can be in the name of the school or jointly in the name of the school and Northumberland County Council, and must be opened with one of the banks listed in paragraph 3.5.1 of the main Scheme.

All financial transactions must be undertaken in accordance with the Authority's "Financial Regulations for Schools".

Governing Bodies are reminded that they may borrow money from an external source only with the written permission of the Secretary of State. The Executive Director of Finance must be notified in writing of a school's intent to seek such permission at least ten working days before a request is made to the Secretary of State.

LIST OF SCHOOLS COVERED BY THE SCHEME**FIRST/PRIMARY SCHOOLS**

Acomb First School
Allendale Primary School
Amble First School
Amble Links First School
Beaconhill Primary School
Beaufront First School
Bedlington Station Primary School
Bedlington Stead Lane Primary School
Bedlington West End First School
Bedlington Whitley Memorial Church of England Aided First School
Belford Primary School
Bellingham Primary School
Berwick St Mary's Church of England First School
Blyth Horton Grange Primary School
Blyth New Delaval Primary School
Blyth Newsham Primary School
Bothal Primary School
Branton Primary School
Broomhaugh Church of England Aided First School
Broomhill First School
Cambo First School
Cambois Primary School
Central Primary School
Chollerton Church of England Aided First School
Choppington Primary School
Corbridge Church of England Aided First School
Cragside Church of England Primary School
Cramlington Burnside Primary School
Cramlington Eastlea Primary School
Cramlington Northburn Primary School
Cramlington Shanklea Primary School
Ellingham Church of England Aided Primary School
Ellington Primary School
Embleton Vincent Edwards Church of England Aided Primary School
Felton Church of England Primary School
Grange View First School
Greenhaugh Primary School
Greenhead Church of England Aided Primary School
Guide Post Ringway Primary School
Hareside Primary School
Henshaw Church of England Aided Primary School
Hexham First School
Hipsburn Primary School
Holy Island Church of England Aided First School
Holy Trinity Church of England Aided First School, Berwick
Holywell Village First School
Hugh Joicey Church of England Aided First School
Humshaugh Church of England Aided First School
Kielder Primary School and Nursery
Linton Primary School
Longhorsley St Helen's Church of England Aided First School
Longhoughton Church of England Primary School
Lowick Church of England First School
Morpeth All Saints Church of England Aided First School

Morpeth First School
Mowbray Primary School
New Hartley First School
Newbrough Church of England Aided Primary School
Norham St Ceolwulfs Church of England First School
Otterburn First School
Pegswood Primary School
Red Row First School
Rothbury First School
Scremerston First School
Seahouses Primary School
Seaton Delaval First School
Seaton Sluice First School
Seghill First School
Shilbottle Primary School
Slaley First School
Spittal First School
St Aidan's Roman Catholic Voluntary Aided Primary School (due to academise; date t b c)
~~St Bede's Roman Catholic Voluntary Aided Primary School (academised 01/12/2020)~~
~~St Josephs Roman Catholic Voluntary Aided Middle School (academised 01/12/2020)~~
St Cuthbert's Roman Catholic Voluntary Aided First School, Berwick
~~St Mary's Roman Catholic Voluntary Aided First School (academised 01/12/2020)~~
St Michael's Church of England Aided Primary School
~~St Paul's Roman Catholic Voluntary Aided Primary School, Alnwick (academised 01/04/2021)~~
St Robert's Roman Catholic Voluntary Aided First School
~~St Wilfrid's Roman Catholic Voluntary Aided Primary School (academised 01/12/2020)~~
Stakeford Primary School
Stamfordham Primary School
Stannington First School
Swansfield Park Primary School
Swarland Primary School
The Sele First School
Tritlington Church of England Aided First School
Tweedmouth Prior Park First School
Tweedmouth West First School
Wark Church of England Aided Primary School
~~Warkworth Church of England Aided Primary School (academized 01/09/2020)~~
Whalton Church of England Aided Primary School
Whitley Chapel Church of England Aided First School
Whittingham Church of England Primary School
Wooler First School

MIDDLE SCHOOLS

Bellingham Middle School and Sports College
Berwick Middle School
Corbridge Middle School
Glendale Middle School
Seaton Sluice Middle School
St Joseph's Roman Catholic Voluntary Aided Middle School
Tweedmouth Community Middle School
Whytrig Community Middle School

HIGH/SECONDARY SCHOOLS

Astley Community High School
Haydon Bridge Community High School and Sports College
James Calvert Spence College
The Duchess's Community High School

SPECIAL SCHOOLS

Atkinson House School
Barndale House School
Cleaswell Hill School
Cramlington Hillcrest School
Morpeth Collingwood School
The Dales School
The Grove Special School

Pupil Referral Unit



Northumberland County Council

SCHOOLS' FORUM

Agenda Item 11

07 July 2021

2021 Work Programme and Meeting Dates

Wednesday 13 January 2021: 9.30-12.00 (Virtual Meeting)

Finalisation of the Formula and the Schools Block for 2021/22
De-delegation decisions for 2021/22

Wednesday 24 February 2021: 9.30-12.00 (Virtual Meeting)

(original date of 17 February 2021 clashes with Half Term)
Setting the DSG budget for 2021/22

Wednesday 07 July 2021: 9.30-12.00

Review of Schools Forum Membership
DSG Provisional Outturn
Scheme for Financing Schools

Wednesday 29 September 2021: 9.30- 12.00

Review of Schools Forum Membership
2019/20 DSG Outturn

Wednesday 17 November 2021 9.30-12.00

NFF - Formula Funding – Formal Consultation
SEN Update

Formula Funding Committee – Chair – Ian Walker

High Needs Committee – Chair – Graham Wilkins

Date for High Needs Committee (all virtual until further notice, 9.30 am-11.30 a.m):

Wednesday 10 March 2021

Wednesday 12 May 2021

Wednesday 23 June 2021

Wednesday 06 October 2021

Wednesday 01 December 2021

A full set of dates for the 2021/22 Academic Year will be forward in advance of the next Schools Forum meeting on 29 September 2021.

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