

Minutes - Sheffield Education Funding Forum

3.00-5.00pm, 25 June 2024, online via MS Teams

Chair: Keith Crawshaw

Schools Forum Members:

Primary Heads Representatives

- Nigel Brooke-Smith (Greystones)
- Helen Kenyon (Pipworth)
- Chris Holder (Lowfield)

Primary Governors

- Alison Warner (Grenoside)

Secondary Head

- Linda Gooden (King Edward VII)

Non-school Members

- Stephen Betts, Learn Sheffield
- Andy Krabbendam, Faith Sector (Clifford All Saints)
- Fiona Hawksley/Lisa Smith, Trade Unions
- Karen Simpkin, Early Years providers (Sunflower Children's Centre)
- James Smythe, 16-19 Sector (Sheffield College)

Academies

- Keith Crawshaw (Sheffield South East Trust)
- David Dennis (Tapton School Academy Trust)
- Jim Dugmore (Peak Edge Academy Trust)
- Chris French (Mercia Learning Trust)
- Stacy McKay (Springs Academy)
- Morag Somerville (Steel City Schools Partnership)

Special Academies

- Joel Hardwick (Nexus Multi-academy Trust)

Special Schools

- Aileen Hosty/Laura Rzepinski (Bents Green)
- 1 x vacant seat

PRU

- Alan Richards (Sheffield Inclusion Centre)

Apologies: Stephen Betts, David Dennis, Fiona Hawksley, Aileen Hosty, Andrew Jones, Helen Kenyon, Stacy McKay, Alan Richards, Lisa Smith

Also in attendance: Cllr Dawn Dale, Chair of the Education, Children and Families Policy Committee; Julia Delaney, Tapton School Academy Trust; Amanda Murray, EY, Education and Skills (notes); Mark Sheikh, Head of Service, Resourcing and Business Planning

Presenters: Jacky Beatson, Resourcing Manager, EY, Education and Skills; Matt Peers, Head of Commissioning – Education and Childcare, Integrated Commissioning Service; Rose Ward, Head of Service, SEND; Jim Watkin, Programme Manager, EY, Education and Skills

1. Welcome, apologies and declarations of interest

Apologies were noted as per above and no declarations of interest were made.

It was also noted that Meredith Dixon-Teasdale, Strategic Director of Children's Services was unable to attend, to give an update on strategic priorities, due to a diary conflict. This item has now been rescheduled to the September meeting.

The Chair welcomed Andy Krabbendam from Clifford All Saints CoE Primary – the new faith sector representative (replacing Mo Andrews).

The Chair also thanked David Dennis and Chris French, who are both retiring, on behalf of the Forum for their long-standing service and wished them well for the future. Chris added that involvement on the Forum is central to ensuring a strong, citywide perspective and commitment to the city.

Attention was drawn to the pre-election period (PERP) and its impact on any policy announcements.

2. Previous meeting minutes/matters arising

Minutes were not reviewed. However, since the last meeting there is an update on additional funding - £10.4m has been allocated for the Teachers' Pension Grant (not Teachers' Pay Grant) and this will be rolled into the Dedicated Schools Grant (DSG). An update will be given at the September meeting.

3. SEND Top-up and Locality Funding

Mark Sheikh highlighted key points from Paper 3:

- A resource allocation system (RAS) called 'Formulate for SEND' has been procured from Imosphere.
- Formulate is a web-based system that supports the allocation of funding for children and young people with Education Health and Care (EHC) Plans.
- Practitioners complete a needs profile within the system for each young person with an EHC Plan and this generates an annual funding band between 1 and 10.
- In April and May 2024, we costed provision for a representative sample of 200 children and young people in mainstream schools and submitted to Imosphere for analysis to develop the basis of a funding model.
- The Local Authority team is now working with partners across the sector to gather further information and undertake moderation activity to build a funding model for EHC Plans for children and young people in mainstream schools.
- An advisory group including parent/carer representatives and colleagues from schools is being established to guide the next steps.
- We plan to start the implementation of the new funding model in the autumn term 2024 for newly issued EHC plans in mainstream schools, and for existing plans as of September 2025.
- The total budget for the interim model is £5.9m, which had been retained for the 2024/25 school year. However, due to increasing numbers, we have now increased this funding allocation by £1.12m.
- The principles are outlined in the slides at Appendix 1.

Forum discussion can be summarised as follows:

- As agreed at the Inclusion Task Force, the plans for special schools will follow a similar needs-led approach when the model has been tested. There is not currently a firm target date set of September 2025 for special schools, integrated resources and hubs.
- Schools would like to see the modelling information and actual costs as soon as possible.

- The banding analysis was carried out with a sample number of schools – details were entered into the RAS to determine the banding and then to see what that will look like for all schools and ascertain if it works for all school provision and EHC Plans. We will continue to refine the model and update the Forum.
- Element 1 and Element 2 funding needs to be provided from the mainstream school budget. Notional SEN allocation supports Element 2 funding. Element 3 (top-up) funding is currently covered through locality funding and is transitioning into the RAS.

The Forum **noted**:

- The update including the transfer of additional funding from the high needs budget into the interim funding model.
- The recommendation to include SEND funding as a standing item on the Forum agenda.

4. Growth Policy and Falling Rolls Update

Jacky Beatson summarised the papers:

Growth Policy

- In the 2024/25 fiscal year, the Department for Education (DfE) has tightened up on guidelines for the administration and distribution of growth funding by local authorities.
- The Growth Funding to Sheffield has decreased to £1.56m in 2024/25 from £2.95m in 2023/24 - a 47% decrease.
- The paper details what growth funding can/cannot be used to support.
- The Local Authority has lost the flexibility it had previously and is therefore no longer able to fund awkward year groups. Maintained schools should speak to the Council's Schools Support Team if they fall into financial difficulties and need to enter into the deficit school's programme.
- School balances are still being taken into account when reviewing applications for growth funding but it was clarified that it would be whole trust GAG balances that would be taken into account for academies.
- Our local Growth Policy can be found at Appendix 1. The policy clarifies class size criteria.

Falling Rolls Policy

- There is no change to the Policy except that for whole multi-academy trusts, General Annual Grant (GAG) balances will be taken into account.
- The Local Authority received no funding from the Government in 2024-25 for Falling Rolls.
- The updated Policy will continue into 2024/25 as pupil numbers in primary schools continue to decline. The fund will be £250,000 as in previous years (rolled forwards from last year).

Forum discussion is noted as follows:

- If a school had to increase its number of teachers, compared to the previous year, due to unexpected additional pupil numbers, above multiples of 30 across all infant classes, they may be able to claim growth funding for infant class sizes.
- A school has to be classed as Good or Outstanding to qualify for the funding.
- Schools staff need further guidance as soon as possible - schools are invited to contact Richard Hudson or Jacky Beatson with any questions.
- The definition of reserves for academies was discussed: it was thought that GAG reserves would be the category of reserves to use – Jacky to clarify.
- We will keep rolling forward the Falling Rolls fund until it is used.
- Our local policy has already been consulted upon. Any suggested changes would therefore need to go via the Funding Working Group.

Action: Jacky to contact Julia Delaney to discuss and clarify the definition of reserves for academies.

The Forum:

- **Noted** that the Growth Funding to Sheffield has decreased to £1.56m in 2024/25 from £2.95m in 2023/24.
- **Agreed** the updated local Growth Funding Policy for 2024/25.
- **Agreed** the planned growth funding payments of £1.35m to be made to the Sheffield schools as per Appendix 3.
- **Agreed** the updated Falling Rolls Policy for 2024/25 (Appendix 4).

5. PFI Expiry Project – Phase 1, August 2026

Jim Watkin gave an update on the progress, as outlined in Paper 5:

- Sheffield had a total of 16 schools rebuilt using PFI contracts. The first of these contracts (Phase 1) was signed in 2001; the final (Phase 5) school was completed in 2012.
- The first phase of PFI contracts is due to expire at the end of August in 2026 and this involves six schools.
- On expiry, all of the assets and services will revert to either the academy trust associated with each school, or to the Local Authority, whichever is the Responsible Body for the school.
- The schools should be returned to the Responsible Body in broadly similar condition when they were built, but subject to 'fair wear and tear'.
- SCC has undertaken its own condition surveys.
- Sheffield continues to receive legal advice throughout the expiry process and guidance and advice from DfE PFI colleagues as required.
- The PFI Company proposes to spend £8.5M across the six schools between now and contract expiry in 2026, with £5.6M of those works being proposed in this financial year.
- The major risks highlighted from the remaining lifecycle are therefore twofold: 1) The amount of works (£5.6M) programmed for this financial year and the achievability of that spend in a single financial year, and 2) Whether the total remaining lifecycle "pot" is wholly sufficient to meet the contractual obligations for return of assets.

Forum discussion included:

- There is concern that there is inadequate time to undertake the building work required – two summers - and around the implications if this is not possible.
- Schools and academies require more/better communication from the SCC project team and require clarification e.g. do they need to take their own legal advice? Regular meetings have now been scheduled – the first being w/c 8 July.
- Schools would welcome individual action plans.
- There are also questions around the affordability gap.
- It was clarified that PFI funding will be removed from the Minimum Funding Guarantee (MFG) factor.
- We have not yet calculated the funding gap – the difference between our costings and the PFI company's costings.

Action: The Chair requested that the above concerns be addressed at the Funding Working Group in early September and that all Forum members with an interest in PFI are welcome to attend.

The Forum noted the update and the risks outlined in the paper.

6. Early Years Wraparound Update

Matt Peers summarised this brief update:

- PERP has meant that the contents of the paper are limited.
- Our first delivery plan has been submitted and is awaiting approval.
- We are in the process of setting up Wraparound Support Hubs.
- An expression of interest process was initiated during May for childcare providers and schools to apply for funding.
- An expression of interest process was also initiated during February for the capital funding.
- Further updates will be provided at the Forum in due course.

The Forum noted the details of the programme and process for funding allocation.

7. Sufficiency Planning

Matt Peers summarised Paper 7:

- Detailed figures are not included in the paper due to PERP.
- A paper is going to Committee in September.
- Recent data shows that there continues to be a surplus position citywide for primary places - we will continue to support schools with surplus places and undertake appropriate action. We will also continue to monitor pockets where place deficits exist.
- The secondary sector continues to see an increase in demand with several areas forecast to see a sustained shortfall of places from 2025 onwards. Demand is forecast to return to current levels from the early 2030s.
- In the post-16 sector learner numbers are forecast to increase each year and to peak in 2028/29. We are working closely with the sector to support people not in education, employment or training; and we are liaising with providers to understand the sufficiency position.

Action: Home education position to be captured as part of September committee report.

The Forum noted the update and supports continued Forum engagement to address sufficiency issues.

8. School Balances Update

Mark Sheikh presented the update detailed in Paper 8:

- Based on the latest financial returns, overall, schools are reporting a total deficit of £5.9m at the year-end, and £12.4m of surplus.
- 12 schools ended 2023/24 with a deficit balance which totalled £5.9m. Ten of these schools were already part of the deficit process for 2023/24 and will continue as part of the process in 2024/25.
- There are now only two schools that are over the permitted threshold for surplus balances, and both have provided detailed spending plans.
- We received a one-off Additional Support Grant for Schools in Financial Difficulty of £517k and it was agreed that it be allocated to reduce the deficit at Holgate Meadows. In addition, a further £60k of funding was shared equally across six other schools.
- At the current time it is not appropriate to discuss issues/proposed actions pertaining to specific schools due to PERP.

Additional Forum comments/questions included:

- The question was raised if any deficits relate to falling rolls.
- The smaller primaries are especially vulnerable, and amalgamations may be a consideration.

The Forum noted the latest surplus/deficit position, that steps are being taken to monitor the situation and that proposals are being put forward to members.

9. Forum Membership and Constitution Update

Mark Sheikh highlighted the recent changes to membership as per Paper 9:

- There remains one vacant special school seat and colleagues are encouraged to promote this to the sector.
- Elections are underway to replace David Dennis and Chris French who are both retiring at the end of the academic year.
- Forum members are encouraged to nominate themselves for the role of Vice-chair.
- Nominations will be sought from the Early Years sector when Karen Simpkin's term expires in September (Karen has expressed an interest in continuing).
- Given that Nexus is the currently the only special academy, Joel Hardwick will continue for a further term.
- Andy Krabbendam replaces Mo Andrews to represent the faith sector.
- The Constitution document has been updated and now includes a paragraph at 4.2 *'Any member is who absent from three consecutive meetings without a valid*

reason/prior agreement, will be considered to have stepped down from their role as Forum representative...'

Forum members added that:

- They were in agreement with the proposed changes regarding non-attendance.
- It would be beneficial if the Vice-Chair was from the secondary sector.
- They would like to see more governors/trustees on the Forum.

The Forum:

- **Noted** the updates to membership – new and retiring members:
- **Noted** the call for nominations to fill the vacancy of Forum Vice-chair.
- **Noted** the updated constitution document and **approved** the proposed revisions regarding attendance of members.

10. AOB

None raised.

Date of next meeting: 24 September 2024, 3.00-5.00pm, Learn Sheffield