



Schools Forum

Date: 2 December 2021

Time: 8.30 am

Venue: Via MS Teams

Item/Paper

A

Public

MINUTES OF SCHOOLS FORUM HELD ON 4 NOVEMBER – HELD VIA MS TEAMS

Present

School Forum Members

- Bill Dowell (Chair)
- Caroline Clode – association secretaries
- Mark Cooper - Secondary academy headteacher (from 8.50)
- Alan Doust – Secondary academy headteacher
- John Hitchings – Academy governor
- Sandra Holloway – Primary governor
- Sian Lines – Diocese of Hereford
- Sue Lovecy - Secondary academy headteacher (from 9.14)
- Kerry Lynch – Primary academy headteacher
- Stephen Matthews – Primary governor
- David O’Toole - Secondary academy headteacher
- Alan Parkhurst Primary headteacher
- John Parr – Secondary academy headteacher (from 9.00)
- Michael Revell – Primary governor
- Mark Rogers – Primary headteacher
- Andrew Smith – Post 16
- James Staniforth – Post 16
- Brian Thomas – Special academy headteacher
- Carla Whelan – Primary academy headteacher

Members

- Kirstie Hurst-Knight

Officers

- Jo Jones
- Neville Ward
- Stephen Waters
- Phil Wilson
- Helen Woodbridge
- Tim Smith
- Janet Croft

Observers

- Roger Evans
- Charles Thomas
- David Vasmer
- Nick Bardsley

1.

Apologies

Apologies had been received from Gwilym Butler, Marilyn Hunt, Shelly Hurdley, Nathan Jones, Tanya Miles, Georgia Moss, John Parr (but joined from 9.00) and Reuben Thorley.

The Chair welcomed all to the meeting.

2.

Minutes and Matters Arising

The minutes of the meeting held on 16 September 2021 were agreed as a true record. Phil Wilson went through the matters arising which had all been completed or would be addressed later in this meeting.

3.

Shire Services Finance Review

Tim Smith Assistant Director with responsibility for Commercial Services and Janet Croft, Head of Shire Services, presented a report.

ACTION

Overview

- Growing in-balance in trading outcomes for the catering service
- Need to avoid trading deficits falling to the Council
- Financial review completed by APSE in 2021
- Based on pre-Covid performance in 2019/20
- Medium- and long-term impacts on service delivery
- Services previously supported by a Council budget of £476,000 removed in 2018/19
- Additional £401,000 savings target applied in 2019/20
- Projected overspend in 2021/22 of £0.6m.

The need to address the overspend of £0.6m was stressed.

Next phase

- Short-term financial pressure to address
- No longer able to financially support Shropshire schools using either Council budgets or profits from external schools
- Assessment of a suitable alternative delivery model for the service to be completed by APSE
- Secure investment for technology and service improvement
- Increase management fees to Shropshire schools by 5% with a minimum charge of £6,950 from April 2022
- Charge Shropshire schools for relief staff costs, either through an annual premium or as a charge when staff are used
- Increasing charges to schools may result in an increased risk of loss of contracts, which will have a negative impact on the financial position.

Summary

- Due to the financial pressure which the service and the Council is under in the current and immediate future, steps need to be taken to reduce costs and to apply charges to schools not previously apportioned.
- The financial review completed by APSE concluded that the service controls its direct costs well, but there is an additional cost burden of administration due to systems and processes in place.
- The next phase of the review will address the service improvements and alternative delivery model arrangements.
- More immediate action is required to address some of the shortfall in the financial year 2022/23 to allow the service to transition into a financially viable service that can continue to grow and provide services to school both internally and externally.

Tim Smith asked for Schools Forum comments in order to inform the Cabinet report which will be presented next month.

The Chair was taken by a point in the presentation:

There is a need for consultation and engagement with internal schools before any material change to charging arrangements.

He felt that this is late in the day as Schools Forum has been encouraging three to five year budget planning for schools. He was keen that time is made available for proper consultation.

Mark Rogers put this request into the context that financing for school meals

year on year has been getting tighter and food costs are increasing. He also felt that currently there is chaos in kitchens as staff are not readily available. He had concerns that Schools Forum were not aware of any subsidy from the Council. He felt that with the Marcus Rashford agenda meaning provision of food for FSM children in the holidays, schools are doing much more in the area. The danger is that too much is going on at once and the issue is really complicated. However, the issue of the management fee no longer including relief staff is a real concern (although he added that relief staff are not provided sometimes). He felt that this is a difficult time to introduce a new commercial model. Carla Whelan agreed with these points. She added the issue for smaller schools as there is no capacity in their budgets. She referred to a lack of school FSM uptake at KS2 and wondered if this could be explored and promoted by Shire Services.

Stephen Matthews also agreed with colleagues. He stressed the good quality of the service and feared that alternatives would not be as good. Headteachers have the responsibility to ensure children are well fed. He was surprised that efficiencies in the management structure had not been addressed before. He acknowledged the need to increase the costs of meals and communicate this to parents. He also suggested that the insurance scheme costs provided were disproportionately high.

Tim Smith agreed that the Council could run a targeted campaign to increase the take up of KS2 FSM. He advised that decisions would need to be taken in the spring term and that currently a three-month notice period is in place for both provider and customer. He acknowledged that recruitment has been difficult and advised that the Council had had access to the Covid grant which helped. But there has not been the same level of support this year.

Janet Croft addressed the managerial efficiency. She advised of a difficult time over the last couple of years along with all in the hospitality sector. There had also been difficulty with food deliveries etc. The service had been looking at improving systems for around 10 years, but a significant investment is required and any surplus built up for this was removed when the budget became overspent.

James Staniforth asked about future proofing as there are many uncertainties around at present rising costs of fuel, food, staff etc. He also asked about the statutory responsibilities.

Charles Thomas (observer) advised that schools have a statutory duty to provide meals for children. He felt that this move is bad timing for headteachers and is unacceptable. He felt that the current issue is down to poor planning.

Tim Smith acknowledged Charles Thomas' points. He emphasised that the aim is for a 3-5 year plan.

Mark Rogers spoke of the value of Shire Services and their importance in a rural authority. Whatever is done needs to be got right. He was concerned about decision making as governors will not be meeting again until March. He identified the danger that Shire Services may lose larger schools and therefore smaller schools would become more expensive. He added that time would be required in order to obtain alternative quotes.

Stephen Matthews suggested that as consultation time is short but the service is good, could the Council continue to subsidise in the short term to allow breathing space to allow decisions to be made.

Tim Smith advised that councillors will receive a report regarding subsidy levels

and could be asked about this.

Kirstie Hurst-Knight confirmed that she had heard the views of headteachers but recognised the budget issues for the Council. She wondered about a spend to save approach and welcomed further communication on this.

The Chair advised that Schools Forum had battled for sustainability for many years. He agreed that timescales are a concern and that this is coming too quickly.

Stephen Matthews asked why the proposed premiums are so high (as they are actually in line with what is paid for 35 other members of staff).

Janet Croft advised that they are based on the current cost of relief staff although this is not an exact science.

Stephen Matthews wondered if other insurance providers could provide cover.

Janet Croft advised that as a service they could not access this but schools may be able to.

Nick Bardsley and Kirstie Hurst-Knight agreed to discuss this further. Nick Bardsley wondered if the report could go to Cabinet earlier to allow a longer consultation period.

Roger Evans (observer) suggested that this will really affect the small primary schools who need to give a term's notice. He was worried that as KS1 FSM is universal, it would mean a large price rise for KS2. He suggested that the approach is ill thought out and needs a 6 – 12 month delay otherwise there will be a backlash. He was also concerned that the profit from business outside of Shropshire would go to Shropshire Council.

David Vasmer (observer) was opposed to the proposal and agreed that a longer period is required. He felt that Shropshire Council should be subsidising the school meals service.

Tim Smith agreed to talk further with members. He thanked Schools Forum for their time.

The chair thanked Tim Smith and Janet Croft for the detailed presentation and thanked Janet Croft for the service being provided for Shropshire's children.

He added that this will be considered by CPG next week.

4. Spending Review 2021 – Education Headlines

Phil Wilson went through his paper.

There is a three-year settlement ending in 2024-25.

There will be a cash increase over the three years of £1,500 per pupil but as yet there is no clarity over the phasing.

This is good news but needs to be set against other cost pressure factors.

More funding is being put into education recovery.

There are early years increases but recruitment issues in that sector too.

James Staniforth was envious of the budgets for schools as in FE there is an increase of only £250 over the three years.

Neville Ward advised that the increases in living and minimum wage are welcome but will have a budget impact for early years. There had been an announcement re extra funding for training but this may not be new money.

There is £170m through free entitlement funding between now and 2024-25 but no detail yet and unclear as to if this includes funding received in 2020. There are issues with provision in some places due to recruitment.

Alan Parkhurst reminded colleagues that this funding only returns schools to 2010 levels.

Charles Thomas (Observer) echoed this and spoke of the need to push harder to get more funding. There are issues regarding teacher's pay especially around the knock-on consequences when the £30,000 minimum for ECTs takes effect.

5. Central Retention of Dedicated Schools Grant from April 2022

Phil Wilson presented the report which was for information.

There is consultation for maintained schools on de-delegation and top-slicing for centrally retained services for financial year 2022-23. This includes **De-delegation**: pupil growth contingency, maternity cover, trade union duties and school improvement and **Top-slicing**: redundancy fund, statutory school finance, statutory human resources/health and safety and education welfare/inclusion.

There is an additional option for trade unions duties as presented to School Forum at their meeting on 17 June.

Consultation runs from Friday 5 November to Friday 26 November.

Returns will inform a report that will come back to Schools Forum on 2 December for decision-making.

6. Dedicated Schools Grant Monitoring 2022-23

Stephen Waters presented his paper which was for information.

The outturn position for the Early Years Block is still forecast to be at the provisional budgeted level of £17.028m. Neville Ward added that the early years spend is based on an area where there is still an enormous amount of variance. Shropshire's High Needs Block DSG allocation has increased by £3.751m from £28.016m in 2020-21 to £31.767m in 2021-22.

In-year surplus forecast of £0.362m. Given that £0.876m of high needs funding represents a one-off transfer of funding from the Schools Block as approved by Schools Forum, this indicates that the High Needs Block DSG allocation to Shropshire alone is insufficient to meet needs. He went through the variances. De-delegated Items - £0.039m forecasted overspend on de-delegated maternity pay for schools where forecast expenditure is £0.271m but the de-delegated value from schools based on £19.27 per pupil is £232,000.

Given that the overall DSG deficit is forecast to reduce to £0.312m from a brought forward position of £0.659m this is positive in terms of the Council meeting the Department for Education's requirement to reduce or manage down the deficit. It is important to note that this projected reduction in deficit is as a result of forecast less growth in expenditure compared to growth in High Needs Block DSG allocation rather than any reductions to High Needs Block DSG expenditure itself.

7. Communications

It was agreed that the priority is to ensure sharing issues regarding school meals.

8. Future meeting dates:

Thursday 2 December 2021

Thursday 13 January 2022

Thursday 27 January 2022 (provisional)

Thursday 17 March 2022

Thursday 16 June 2022

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The meeting closed at 10.04 am