|  |  |  |  |
| --- | --- | --- | --- |
| Members: | **Position** | **Voting** | **Attendance** |
| Jane Shields | Primary Maintained Headteacher | Voting | Apologies |
| Karen Joy | Special Maintained Headteacher | Voting | Present |
| Karen Bennett | PRU Maintained Headteacher | Voting | Present |
| Tim Williams | Primary Academy Headteacher | Voting | Apologies |
| Cathy Reid | Secondary Academy Headteacher | Voting | Apologies |
| Paul Jackson | Special/PRU Academy Headteacher | Voting | Present |
| Stephen Avis | CFO Multi Academy Trust | Voting | Present |
| Richard Warnham | Governor Primary Maintained | Voting | Apologies |
| Barbara Fincham | Governor Primary Academy | Voting | Present |
| Clive Mailing -Vice Chair | Governor Secondary Maintained | Voting | Present |
| Peter Martin – Chair | Governor Secondary Academy | Voting | Present |
| Vacancy | Governor Secondary, Special and PRU | Voting | N/A |
| Hannah Cartwright | Early Years Representative | Non-voting | Present |
| Vacancy | 16-19 Provider Representative | Non-voting | N/A |
| Kirstin Barker | C of E Diocese Representative | Voting | Present |
| Clare Redmond | RC Diocese Representative | Voting | Present |
| Vacancy | Teaching Unions Representative | Non-voting | N/A |
| Stuart Gardener | CFO Multi Academy Trust | Voting | Present |
| In attendance: |  |  |  |
| Chris Kiernan | Assistant Director of Education and SEND LA. |  |  |
| Maria Beaney | Finance Business partner LA. |  |  |
| Lee-Anne Farach | Director of People - Children and Adults' Services LA |  |  |
| Sarah Phillipson | Clerk. |  |  |
| Deborah Allcorn | EY sufficiency manager |  |  |
| Clare Hassell | EY entitlement Officer |  |  |
| Wendy Vincent | Head of Integrated 0-25 Disability Services LA |  |  |

|  |  |  |
| --- | --- | --- |
| No. | Agenda Point. | Discussion. |
| **1.** | **Apologies.** | Apologies were given from Tim Williams, Jane Shields, Cathy Reid, and Richard Warnham and these were accepted. |
| 2 | **Declarations of Interest.** | No Changes to the previously shared declarations. |
| 3 | **Minutes from the previous meeting** | **Accuracy**  All minutes were agreed as an accurate representation of the meeting.  **Matters arising.**  Action - Clerk to set up a meeting for the High Need's subgroup within two months. Clerk COMPLETED  Action - Clerk to ensure any funding cases are recorded for considerations for each meeting involving business cases - Clerk COMPLETED  Action - -DSG outcome report – Deferred to the next meeting. |
| 4 | **Arrangements for Early Years Provisions** | Deborah Allcorn and Clare Hassell  DA explained to the members that the role of the programme lead for the early years sufficiency team (EYST) is to identify the current and projected supply and demand of childcare for particular age ranges of children, the affordability, accessibility and quality of provision; and details of how gaps in childcare provision will be addressed.  Funded childcare is divided into the following categories:   * 15 hours of childcare for eligible disadvantaged two-year-old's. * 15 hours of universal childcare for all three- and four-year-old's; and * Local authorities are required by legislation to secure 30 hours of childcare, so far as reasonably practicable, for working parents or parents studying or training for employment.   Currently, there are 247 early years childcare settings in Medway, and the following provider types offer this:   * Private, Voluntary and Independent: 88 providers. * Nursery classes in schools and Academies: 40 schools. * Childminders: 119.   The total number of full-time registered childcare places offered across Medway is **6,208,** and there are approximately **11,066** children aged 2, 3 and 4 years of age in Medway.  This is broken down as **3,506** children aged 2 years, of which approximately 44% (**1542**) will be eligible for a funded childcare place and **7,560** children aged 3 and 4 years. |
|  |  | The table below shows Medway's sufficiency.  **Category children**  Potential requirement of full-time equivalent (FTE) places for  children aged 2 years 771  Potential requirement of 30-hour places for children aged 3  and 4 years 1,680 Potential requirement of FTE universal offer places for children  aged 3 and 4 years 2,940 Total FTE places required to meet sufficiency - 5,391    There are 817 vacant full-time equivalent childcare places in Medway. Medway Council's early year's sufficiency team and the family information service have not received any communications from parents/carers stating that they cannot find a universal or extended funded early education place for their child, therefore supporting the data that there is full sufficiency of places across Medway. Actions/ key focus throughout pandemic: These are to:   * Maintain childcare sufficiency-specifically for vulnerable and children of critical workers. * Sustaining a high-quality childcare market throughout Medway. * To monitor the fluctuation of temporarily closed settings due to positive cases of Covid. * Ensure that SEN children and those with additional needs can access their entitlement. * Weekly monitoring of attendance. * Encourage further take-up of 2-year-old childcare. * Support and signposting for providers with grants, loans, furlough schemes, welfare and general concerns. * Identify any impact on children's development due to the pandemic. * To meet the statutory duty of providing information, advice and training for childcare providers through the partnership with Medway Early Years Ltd as a commissioned service.   **Commissioned work undertaken by Medway Early Years Ltd includes:**   * Facilitating early years foundation stage briefings. * Regular provider support meetings in conjunction with the EYST. * Providing a package of support for Private, Voluntary and Independent settings and Childminders that have an Ofsted inspection rating of "inadequate" or "requires improvement." |
|  |  | * Provide support and guidance for any new EYFS provision or EYFS expansions, including schools, PVI settings or Childminders. This includes online tutorials and training due to the restrictions on face-to-face meetings, individual advice and guidance around safeguarding, welfare requirements and quality.   All childcare providers must register with and be inspected by Ofsted, who give them an overall grade for the quality of their provision.  **Type of provision Total number of providers inspected %**  **Achieving good or outstanding**  Childminders 80 95%  Nursery classes in schools 42 93%  Private and voluntary nurseries 80 95%  Childcare provision throughout Medway continues to be of a high standard, with an overall average of 94% of providers inspected, achieving outstanding. Good quality early years settings have a massive positive impact on children from disadvantaged backgrounds giving them access to resources and experiences they might not have at home. Quality settings can reduce gaps in development for children and support all children in being ready for school. Medway Council's early year's funding formula - 2021/22 Every year, the DfE allocates a block of funding for Medway Council's early years from the dedicated school's grant (DSG) using forecast part-time equivalent hours for the year. This grant is then allocated to the relevant funding streams. In Medway, these are the:   * 15 hours entitlement for disadvantaged two-year-old's - £5.39 per hour; * Universal 15 hours entitlement for all three- and four-year-old's - £4.63 per hour; * Additional 15 hours entitlement for eligible working parents of three- and four-year-old's - £4.63 per hour; * The early year's pupil premium (EYPP) - £0.53 per hour. * The disability access fund (DAF) - £615 per year.   It is a statutory requirement that 95 per cent of this grant is delegated to providers using a flat rate for two-year-old's, and local authorities use their early years funding formula for three and four-year-old's.  In Medway for 2021/22, the two-year-old hourly rate is £5.12, and after top-slicing 1 per cent of this rate to SEND, the three and four-year-old hourly rate was £4.35. No changes to the rates for EYPP or DAF were made. |
|  |  | The Medway early years funding formula is as follows:  **category funding**  DfE allocated a 2-year-old rate £5.39  Fixed-rate at 95 per cent £5.12  DfE allocated a 3/4-year-old rate £4.63  The rate at 95 per cent and after 1 per cent top slice for SEND £4.35  **Medway early years funding formula**  Base rate – 90 per cent £3.92  Disadvantage/additional need – 8 per cent £0.35  Leadership – 1 per cent £0.04  Ofsted grade 1 or 2 – 1 per cent £0.04  total £4.35  Using the data providers submitted in the January early years census, the supplements are calculated, and the funding rates are allocated.  The first supplement is the base rate that all providers receive.  The second disadvantage / additional need supplement uses the postcodes of all children submitted in January, linked to theincome deprivation affecting children index(IDACI) scores.  Leadership is allocated if a provider has a 'qualified' member of staff working with the children. The Ofsted grade is allocated if a provider has an outstanding grade.  When the funding was allocated for 2021/22, we had 245 individual providers, and the average rate using the Medway early years funding formula was £4.27. This is still the average rate, and we now have 247 providers.  Medway has a budget of circa £2.3 million for two-year-old funding, £13.7 million on all three-and four-year-old funding, £124,000 on EYPP and £76,000 on DAF.  **Q – The providers are given a rate of £4.35 per hour of teaching for each child. Does this seem to be a low figure?**  A- Any children on the headcount list with a high deprivation rate will have a higher hourly rate. This is not the minimum, and it is the base rate for the supplements. The supplement is on top of £4.35.  A member noted that this was an excellent informative report which is very useful to the schools.  **Q – When children receive DLA, they get their free two-year-old placement, but they are not eligible for any high needs support funds. It has already been recognised within giving them that free two-year-old placement that there is that need for support. Is there any way for this support to be made eligible for two-year-old's and three and four-year-old's?**  A – When this new formula was introduced, it was agreed that the LA would take the 1% of funding away from the three-year-old's but not take it away from the two-year-olds. To do this, the LA reduced the hourly rate, kept the funding centrally, and then passport funding out centrally for that pot of money. If the LA were to introduce that formula for the two-year- |
|  |  | old's, there would have to be a consultation with all early year's providers  because effectively, the LA would be taking off 1% from the available funding to do that. In this financial climate, the LA is not confident that providers would want this.  **Q - It hypothecated there are surplus places at the moment? How far ahead is that forecasted, is there a contingency if those surplus places were reduced and how would the LA address that shortfall of places, and the funding implications that go with it?**  A - The LA has to forecast quite a way head to ensure that it has the right staff and premises. The LA are in touch regularly with the childcare providers to ask them how many vacancies there are, updated regularly. If the LA did foresee a problem, then it would have to consider recruitment for the provision. For the last three years, LA has been in a positive position. The family Information Service outreach officer goes out into the community and events to encourage new provisions to come on board. The LA supports new business and new providers through the contract held with Medway early years.  **Q – The category for those who have achieved an Ofsted grade 1 or 2 received additional funding. Should the provisions that need support to reach these grades be the ones that receive additional funding?**  A – This is a central government directive, and the LA cannot alter this.  DA and CH left the meeting. |
| 5. | **Update from the High Needs Sub Group**  **Chris Kiernan** | The subgroup meeting minutes were shared and taken as read. CK went through the questions raised from that meeting:  High Needs recovery plan report.  CK summarised the report explaining that the original date for the current deficit to be eliminated was set for 2026/27 but is now projected to be the 2029/30 financial year. The main reasons for the rescheduling are; the agreement to fund primary behaviour support for two years (spread over three financial years) of £500,000 in total; the annual funding cost of The Beeches two years after it opens (from September 2025, which is £500,000 annually); and the cost of EHCPs, which was understated in the original projections.  **Q – Regarding the money outlined, there was the impression the LA could not afford this figure, so where is this now coming from?**  A- It is added to the deficit. There are still legal duties, so this must be accommodated. The member group that CK reports agreed to increase the overspend. At £14 million, another £250,000 in one year and £250,000 in another two years will not affect matters. The LA is in discussion with the DfE regarding funding. The members agreed to extend the overspend in order to commit to this programme. This overspend will occur from 2025 because the LA will pay £10,000 per pupil when The Beeches opens. This has already been agreed that these places were needed. For two years, the DFE paid the whole cost. After two years, the LA has to pay the place funding for each particular place. This is effectively bringing forward two years of funding. |
|  |  | **Q – The Tab on spreadsheet saving sheet line 7 - outreach services note two provisions to whom does this refer?**  A – Bradfield and Marlborough Centre, this is regarding the procurement process. In the future, any provider coming into the market would need a high level of expertise to match the quality of the offer from these provisions. Historically, seven schools offered this provision; this was reduced to 2, bidding was completed, and those schools were unsuccessful.  The cost for the current year and previous year as a part of the £5000. That goes down to zero because, in effect, those schools are now paid for the point of delivery of service, not at the point of delivery by all schools.  **Q – Regarding the independent review of the specialist providers offer to ensure value for money, has this had any impact?**  A – It is a two-part project. The first phase looks at what is being provided by the specialist independent schools if that provision is cost-effective. Furthermore, it showed the independent schools were all welcoming of the auditor. Nobody felt as though it was intrusive; they all showed exactly what they were doing, which was a very, very good level of provision. However, it was clear that the LA are paying for much more than a child would get it so far as a state-funded school in Medway or another borough. The LA commissioned, for instance, for core skills to be delivered; however, some schools did this in stables, with horses to teach the children Maths. This is a nice environment but could be done in a much more cost-effective manner. The LA need to continue a conversation about the value of this and to balance this out. There may be discussions taken with the providers to address this. The equity issue arises through children getting that provision are getting much more than they would in the state-funded provision, which is good. The LA has never done this sort of exercise before but is proving very, very useful.  **Q- Can the providers offer the curriculum more cost-effectively?**  A – They could amend their curriculum to allow better value for money while still meeting the needs of the children.  **Q - Are you able to tell us how many Medway children are in these independent settings?**  A - There is a significant school provision, which is why it has commissioned 500 places. There are some really important philosophical issues that will need addressing. There is an inconsistency of level of provision in Medway, with some children receiving a "Rolls Royce" type of education, which the LA cannot afford for all. This is a difficult issue. |
| 6 | **High Needs Recovery Plan update**  **Chris Kiernan** | CK updated the members noting, the HNR plan will be refreshed annually. Eight tasks align with the seven savings lines (lines 3 to 9 of the plan) and line 11 (the disapplication / top-slice). Each 'task' comprises:   * The 'general deliverable' – this is broadly the outcome required. * Specific actions – that is, defined, clear and measurable actions. * Success criteria – that indicate whether the action has been completed; * The deadline date for the completion of the task; * The lead officer, who is accountable for the specified action; and a 'red / amber / green (RAG) rating for each separate deliverable.   It was explained that there are four lead officers, whose initials are against each action, with a key to the initials at the end of the action plan. All actions are progressing; however, the timing of certain actions – for example, the development of secondary resourced provision – may need to be revised.  CK updated the forum members on the HN Recovery plan Key Tasks, which are:  (1)To define and apply the graduated approach with 'needs' vs HN funding. The original estimate was that annual savings of £220,000 would begin in 2021/22, with savings increasing yearly until 2029/30 when 3.635m would be saved. The new estimate is based on projected pupil numbers and shows the cumulative net pressure reduces, and there is still an additional cost by 2029/30 of £566,000.  (2) Decommission and commission resourced places in mainstream schools - Possible negative effect on the recovery plan is the necessity of delaying the resourced places by a year. The calculation cannot yet be made as the discussions have not been finalised with a Trust. However, despite the projected start of the savings being cautious (a September 2022 starting point), potential delays must be a risk  (3) Implement the planned capital programme to increase SS places - (increasing special school places): on track.  (4) Consult on a banding system for implementation in 2021/22 fy - this work is in progress but slightly behind schedule and should be in place by the start of the 2021/22 school year.  (5) propose the funding of both outreach services through a top-slice - funding of the outreach services: completed for the 2021/22 school year;  (6) Visit all independent providers to improve VFM -visits completed and a report with recommendations is being completed (on track).  (7) Cease non-EHCP top-up aside from exceptional cases (e.g., trauma) – work in progress.  The school forum members noted the above report. |
| 7. | **Outreach Review**  **Chris Kiernan** | CK presented his report explaining that the schools forum agreed, at its meeting in January 2021, too 'top slice" the resources required to fund SEN support services for schools. The outreach services are provided by Bradfields and Rivermead special school academies.  Until 31st March 2021, the services had been funded by the council's high needs block (HNB). However, the resources to pay for this support have been delegated to schools following the Children and Families Act, 2014; the HNB is overspent by approximately £14m (a structural overspend of 34 per cent against the total budget).  It was explained that the LA could not continue to fund the services. The LA have requested that the schools forum members consider funding the service for the current financial year through a 'top slice of £505,000, meaning that all maintained schools and academies contribute about 2 per cent of their delegated budget.  An alternative was suggested: for each school requiring the service to pay at the point of delivery. This suggestion raised several issues. Firstly, the schools with high levels of need and so have budget strains are discriminated against. Secondly, both providers would have to set up bureaucratic procedures to invoice for the work done, receive the monies due, follow-up non-payment and balance the account.  In the course of agreeing on the top-slice, members of the schools forum asked council officers to report on the original arrangements for commissioning to check the fairness and openness of the process. Members made it clear that they wished to do this in advance of any further decision of top-slicing for the 2022/23 financial year.  The commissioned services  Peter Martin declared a conflict of interest regarding Bradfields as a provider of external services. PM withdrew from the discussions and voting.  Both trusts, Fortis and Rivermead (through its Marlborough centre), currently provide outreach services for schools and academies in Medway. These services were funded but since 1st April are funded by all schools and academies.  The outreach services support a large number of pupils – in 2018/19, The Fortis Trust supported 434 pupils and The Marlborough Centre 402 – almost two per cent of the total school population. The process for commissioning the support services. The council undertook a comprehensive commissioning process for outreach services in late 2016. An internal document stated that the council 'currently spends £720,000 on seven contracts/SLAs. They are funded entirely from the high needs block of the DSG. It then proposed to rationalise the 7 existing arrangements into 5 new ones and, in the process, reduce spending from £720,000 to a maximum of £600,000. The 5 new contracts will cover: -   * Early years and primary autism * Secondary autism * Early years and primary social, emotional and behavioral difficulties |
|  |  | * Secondary primary social, emotional and behavioral difficulties * Early years and primary learning difficulties   These have been identified as having the greatest potential impact on our assessment and exclusion figures.  The providers were given notice in that existing contracts would be terminated on 31st August 2017. CK advised that an appropriate process was designed for contracting outreach support services in advance of the cessation of contracts with seven suppliers on 31st August 2017. However, there is no record of bids having been received or an evaluation process.  Notwithstanding, service specifications are in place with the current providers, and the evidence provided for the Schools forum in September 2020 is that services are effective. There is no legal issue about which the LA are aware, but there was a complaint from a third party about the process of contracting the new services.  The view of council officers is that:   * A commissioning process was undertaken; * Service specifications are in place with both providers; * The services have very positive feedback from schools concerning the quality of the providers' service offer; and * Specialist council officers regard the services as good value for money.   CK explained that the LA would continue its contract with the existing providers for the 2022/23 financial year if it were the funder. Benefits These are:   * An opportunity to test the market; * The imperative for the current providers to re-evaluate their offer and its costs in a potentially competitive scenario.  Risks These are:   * The current funding structure, which derives from a Schools forum 'top slice" of all maintained and academy schools and is for one financial year only. (Note Schools forum cannot commit for any longer period than the financial year following the decision, although its members can indicate a positive attitude to future years). * The requirement for any bidder other than the existing trusts to comply with TUPE requirements, which are likely to be complex and involve considerable costs, including pension strain. * The cost of a tendering exercise and the time required to formulate a bid in the context of the risks outline in the bullet points above. |
|  |  | CK summarised by stating that the LA officers would not retender the services if the council were the client. However, the LA is respectful that all schools and academies are now the clients and (where they receive services) the customer.  CK advised that it is a recommendation from the LA that the Schools forum considers whether it wishes for a tender process to be undertaken (by the council, but funded from the DSG). Members were asked to consider the benefits and risks of undertaking this exercise and the council's proposal view.  **Q - If the providers changed, how would they maintain their contracts for staff etc.?**  A – The providers would have to take this risk in the future.  **Q- How can we be assured that the tenders will provide the level of service the schools want?**  A - There could be a broader number of providers which the LA quality assures.  **Q - Regarding the complaint from a third party, was this addressed?**  A – It was in Oct 2017 following an announcement in a LA newsletter that the providers had been agreed. The school had been waiting to place a bid, and this was reviewed; the school was contacted and discussed the matter. This is now closed.  **Q – Was there a need for a case review to prepare for a legal challenge?**  A – This has been resolved, and the services are up and running.  **Q – How long would the contract be for?**  A - It is an annual vote – the providers have the risk.  **Action -** CK to communicate with Bradfields regarding behaviour support investigate if they would be a bidder on the terms offered. CK offered to explore this further for the September meeting.  **Decision** - The eligible School forum members voted and agreed that the council could undertake a limited tender process for the behaviour services currently provided by Bradfield, commencing the services from 1st April 2022.  **Decision –** The eligible School forum members voted and agreed to pay for 2022/23 that it will continue with the contracts; The Fortis trust, The Marlborough centre with the existing providers for the 2022/23 financial year.  LF left the meeting. |
| 8 | **2021-22 DSG Budget Allocation**  **Maria Beaney** | MB advised that the DSG consists of four notional funding blocks.   1. Schools Block – Funding for both maintained schools and academies. At least 99.5% must be passported to schools. 2. High Needs Block – funding special education needs and alternative provision. 3. **Early Years Block – funding for nursery and early years providers. At least 95% must be passported to providers.** 4. Central Services School Block – funding to support the statutory functions of the local authority for both maintained schools and academies.   The DSG grant is used to fund educational activities across Medway either through direct payments to schools/academies, other educational providers or, if approved centrally retained for education purposes. The retained DSG allocation is adjusted several times throughout the year when maintained schools convert to academies.  MB presented the current allocation after academy deductions and noted the following key points:   * The LA's DSG SB allocation was reduced by £167,299,067, and the HNB was reduced by £11,569,319 for academy recoupment to be paid by the ESFA to academies. * All funding is allocated on a per-pupil basis, and for 2021-22 Medway's allocations are as follows:   + School Block - Primary £4,373.21 an increase of £336.40 or 8.33% on last year.   + School Block – Secondary £5,757.86, an increase of £431.80 or 8.11% last year.   + High Needs Block - £4,665.04, an increase of £660.71 or 16.50% last year. * Caveated that the year-on-year increase will be adversely affected by the teachers' pay and pension grants, which for 2021-22 are paid as part of the DSG allocations and not as separate grants like the 2020-21 financial year.   MB shared how Medway's funding allocations compared to other Unitary Authorities, the South East region, and Kent County Council allocations.  The Schools forum members noted the report. |
| 9 | **Funding Support Business Cases -** | See confidential minutes points. |
| 10 | **The Forward Plan 2021-22.** | No changes to make other than deferred items from this meeting.  Next meeting virtual - 22 September @ 2pm |
| 12 | **AOB – note membership vacancies** | Hannah Cartwright was appointed as EYFS representative. |

Meeting ended at 16.05

Signed by Chair ……………………………………………………………………….……. Date: ………………………………

|  |  |
| --- | --- |
| **ACTIONS** | **REPLY** |
| **Action -** CK to communicate with Bradfields regarding behaviour support investigate if they would be a bidder on the terms offered. CK offered to explore this further for the September meeting. | CK |