

# Minutes of a Meeting of the Schools Forum

## Monday 9<sup>th</sup> March 2015

### Shaw House

<b>Present:</b>	Richard Blofeld (arrived item 7)	Primary Schools	Headteacher	Robert Sandilands School
	Patricia Brims	Primary Schools	Governor	Brimpton Primary School
	Jeanette Clifford	Academies	Governor	St Bartholomew's School
	Graham Davies (substitute)	Academies	Deputy Headteacher	Trinity School
	Reverend Mary Harwood		Church of England Representative	Oxford Diocese
	Jackie Hegg (substitute)		Further Education	Newbury College
	Jon Hewitt	Special Schools	Headteacher	The Castle School
	Kate House	Primary Schools	Headteacher	The Ilsleys Primary School
	Peter Hudson	Primary Schools	Governor	Mortimer St John's Infant School
	Brian Jenkins		Early Years PVI	Jubilee Day Nursery
	Catherine Morley	Primary Schools	Headteacher	Theale Primary School
	Sheilagh Peacock	Primary Schools	School Business Manager	The Winchcombe School
	Chris Prickett	Primary Schools	Headteacher	Streatley Primary School
	David Ramsden	Secondary Schools	Headteacher	Little Heath School
	Clive Rothwell	Secondary Schools	Governor	John O'Gaunt School
	Graham Spellman		Roman Catholic Representative	Portsmouth Diocese
	Suzanne Taylor	Nursery Schools	Headteacher	Hungerford Nursery School
	John Tyzack	Primary Schools	Governor	Falkland Primary School
	Keith Watts		Union Representative	
	Stacey Williams	Pupil Referral Units	Headteacher	Reintegration Service
	Councillor Irene Neill		Executive Portfolio for C&YP	
	Cathy Burnham		Social Inclusion Manager	
	Carolynn Loosen		Schools' Forum Clerk	
	Ian Pearson		Head of Education	
	Ian Priestley		Chief Internal Auditor	
Jane Seymour		SEN Service Manager		
Avril Allenby		Early Years Manager (from 1 <sup>st</sup> April)		
Claire White		Schools' Finance Manager		

## 1. APOLOGIES RECEIVED

## Action

Councillor David Allen		Shadow Portfolio Holder for C&YP	
Reverend Mark Bennet	Academies	Governor	Kennet School
Fadia Clarke		FE Representative	Newbury College
Paul Dick	Academies	Headmaster	Kennet School
Derek Peale	Academies	Headteacher	Park House School
Chris Prosser	Secondary Schools	Headteacher	The Downs School
Shannon Coleman-Slaughter		Finance Manager C&YP	
Charlotte Wilson	Academies	Headteacher	Trinity School

## **2. MINUTES OF PREVIOUS MEETING DATED 19<sup>TH</sup> JANUARY 2015**

The minutes of the meeting on 19<sup>th</sup> January were approved.

## **3. ACTIONS ARISING FROM PREVIOUS MEETINGS**

All the action points that were due for completion from the last meeting have been completed / in progress or are on this meeting's agenda, except for the schools' consultation document on the longer term PRU proposal for delegating the budget from 2016/17 which is not due until the end of the Summer term and will return to the Heads Funding Group and Schools' Forum in September 2015.

## **4. DECLARATIONS OF INTEREST**

Jeanette Clifford declared an interest in item 7 and will abstain from the voting as she is Vice Chair of the charity Makaton, which seeks to see investment protected on items such as the Language and Literacy Centres, support to pre-school children with SEN and support for people with autism.

## **5. MEMBERSHIP**

The vacancy for a Maintained Primary School Headteacher Representative has been filled. Richard Blofeld the Headteacher at Robert Sandilands School was elected by the Primary Heads Forum on 11<sup>th</sup> February.

This will be Carolynn Loosen's final meeting and The Chair thanked her on behalf of all Members for her dedication to the Forum and her work on producing the agenda and getting the minutes out to Members promptly.

## **6. DEDICATED SCHOOLS GRANT (DSG) BUDGET 2015/16 – FINAL PROPOSALS**

Claire White presented the report on the DSG 2015/16 and the overall budget proposals.

### **The Schools' Block**

The DSG allocation for 2015/16 has now been fixed by the DfE at £96.093m on 17<sup>th</sup> December 2014 and it has been assumed that there will be no carry forward of funds in this block. It had previously been agreed that the headroom in the Schools' Block would be allocated to the schools' budgets. Whilst the Schools' Forum members accepted that schools will have to pay for more central services they were mindful of the need to balance allocating funding to schools and protecting services. The balance of £3k funding available in this block is due to the final licences fees for 2015/16 being slightly less than estimated.

### **The Early Years Block**

The current allocation from the DfE is based on the 3 and 4 year olds counted in the January 2014 census whereas the final allocation will be based on 5/12 of the January 2015 census and 7/12 on the January 2016 census for 2, 3 and 4 year olds.

Our own calculation of the 2015/16 budget allocation has been based on the January 2015 census and also assumes an in year increase in 2 year olds accessing the free entitlement. The estimated allocation is £7.729m including a carry forward of £0.722m and the proposed budget is £7.715m, leaving a balance of £14k funding available.

### **The High Needs Block**

The High Needs Block funding is now fixed at £17.911m assuming a £200k carry forward from 2014/15 as one off funding, although the latest forecast indicates the carry forward may be nearer £300k. The proposed budget is £18.951m, £1.040m in excess of the funding available. Savings totalling £835k have been proposed, still leaving a shortfall of £205k.

The net position (after the proposed savings) is a shortfall of £187k.

Following detailed consideration of agenda items 7, 8 and 9 the decisions were:

**DECISION: The Early Years budget was agreed, plus the £10k proposed saving in SEN Pre- School Funding will now be funded from the Early Years Block funding instead of being a cut from the High Needs Block.**

**DECISION: The Schools' Forum agreed all the High Needs savings EXCEPT for the proposed Language and Literacy Unit (LAL) saving of £67,300.**

**DECISION: The shortfall across the three funding blocks of £264k (after deducting the LAL proposed saving and SEN pre-school saving) will be met from any additional one-off under spend from 2014/15 which will be known once the annual accounts have been closed. If there is still a shortfall the assumption is that there will be in-year savings, though this will be closely monitored.**

It was noted that use of approximately £464k of one off funding on High Needs services in 2015/16 will require further savings to be found from this block in 2016/17.

## **7. HIGH NEEDS BUDGET PROPOSALS 2015/16**

Jane Seymour and Cathy Burnham presented the report on the High Needs budget proposals 2015/16.

The High Needs Block DSG 2015/16 funding is £17.911m and the proposed

budget is £18.951m before the proposed savings which means there is a shortfall of £1.040m. There has been no increase in funding yet there is a growth in demand for statutory provision.

The report contained proposed savings of £835k to the High Needs budget 2015/16.

The members asked whether the statutory services had been reviewed. Jane Seymour confirmed that this had already been done as the shortfall was £1.9m in the Schools' Forum papers of 8<sup>th</sup> December 2014.

The proposed savings are:

Language & Literacy Centres	£67k
Specialist Inclusion Support Service	£36k
SEN Pre School Children	£10k
Cognition & Learning Team	£80k
Equipment for SEN pupils	£13k
Early Intervention	£19k
Medical Support	£5k
PRU Outreach	£80k
Home Tuition	£29k
Vulnerable Children	£20k
Pupil Referral Units (see item 8 on the agenda)	£476k
<b>Total</b>	<b>£835k</b>

#### Language & Literacy Centres

The possible saving of £67,300 would be achieved by closing one of the Language and Literacy Centres. This proposal has been discussed widely both within the HFG and with the Headteachers they represent. The service is highly regarded providing invaluable outreach services and early intervention; it is also currently oversubscribed. John Tyzack read a letter from Antony Gallagher, Headteacher at Burghfield St Mary's Primary School in support of the LAL's and the impact it would have on his school if the Theale Primary School LAL were closed. An opportunity may have presented itself to enable this saving but a closure of one of the centres would have widespread impact on helping children with dyslexia. Cutting lower level intervention support would lead to an increase in pupils requiring special placements in the future as dyslexia teachers are a costly and difficult service for schools to access individually. If the number of LALs were reduced to one the travelling distances involved would make it logistically and financially impractical.

**DECISION: The Schools' Forum did not agree the proposed saving of £67,300 by closing one of the Language and Literacy Centres.**

#### Specialist Inclusion Support Service

The possible saving of £36,650 from SISS which provides outreach support

from the special schools to the mainstream schools could either be achieved by reducing the level of service or asking schools to pay. However following meetings with the special schools the special schools have stated that they would be willing to continue funding the service from their own budget if the central funding needed to be withdrawn. This proposal means that the service can continue at its current level and remain free at point of use for the mainstream schools.

**DECISION: The Schools' Forum agreed the proposed saving of £36,650 in SISS as the service will be funded by the special schools.**

#### SEN Pre School Children

The possible saving of £10,000 would be achieved by reducing the level of the service providing support to enable children with SEN to access non maintained and voluntary pre- school settings. The Heads Funding Group recommended that the alternative to reducing this service, which will eventually impact on the schools, is for the funding to come from the Early Years funding block, which has a large under spend this year instead of the High Needs block. Claire White confirmed that the regulations allow this to be funded out of the Early Years block. Graham Spellman asked why the entire budget could not be funded from the Early Years Block instead of just the £10k saving. The response was that it could have been but the recommendation was to confine the transfer between blocks to the saving required.

**DECISION: The Schools' Forum agreed that £10,000 of the SEN Pre-School Children budget will be funded from the Early Years funding block.**

#### Cognition and Learning Team

This service is currently free at the point of delivery and supports schools in relation to SEN provision and practice. The saving of £80,000 could be achieved by charging schools for certain services such as assessments and setting an income target.

Keith Watts asked whether a model for charging has been produced and whether the £80k was achievable. Jane Seymour stated that some work had been done and that the £80k was based on a notional cost for assessments but the charging had not been worked out in detail.

**ACTION: Consultation between the Cognition and Learning Team and schools regarding what services are charged for and the costs.**

J. Seymour

**DECISION: The Schools' Forum agreed the proposed saving of £80,000 in the Cognition and Learning Team budget.**

#### Equipment for SEN Pupils

The saving of £13,000 could be achieved if equipment is only purchased for pupils attending mainstream schools and resource units; special schools would fund these items from their own budgets. The Special Schools representative, Jon Hewitt, confirmed that the special schools equipment costs that were funded centrally would now come from the special schools own budgets.

**DECISION: The Schools' Forum agreed the proposed saving of £13,000 in the equipment for SEN pupils' budget.**

#### Early Intervention

The saving of £19,300 could be achieved if this funding for the Early Years Language Project was ceased. The project is not a statutory provision and has been largely replaced by ECAT (Every Child A Talker).

**DECISION: The Schools' Forum agreed the proposed saving of £19,300 in the early intervention budget.**

#### Medical Support

The saving of £5,000 could be achieved by schools absorbing the cost. There were no requests for funding from this budget last year.

**DECISION: The Schools' Forum agreed the proposed saving of £5,000 in the medical support budget.**

#### PRU Outreach

The possible saving of £80,000 in the PRU Outreach budget 2015/16 could be achieved by reducing staffing and hence the number of outreach sessions pupils receive on re-entering mainstream school. More of the support would need to come from the school itself either directly or by purchasing the additional service and there is a risk that this would lead to more pupil exclusions. The remaining £117k budget could be incorporated in the Reintegration Service base budget and used flexibly by RS to support outreach pupils when they are not at full capacity although Stacey Williams, the RS Headteacher, doubted that this would lead to increased flexibility. Although the Schools' Forum agreed in principal there was concern regarding the level of additional information and a review at the end of the Summer term was requested.

**ACTION: Review the PRU Outreach Budget at the July meeting of the Schools' Forum**

C. Burnham

**DECISION: The Schools' Forum agreed the proposed saving of £80,000 in the PRU outreach budget.**

#### Home Tuition

Home tuition is a statutory service and there is a possible pressure if the budget is cut by £28,500 because the service must be provided if a child cannot attend school. The budget in 2014/15 was £282k and the proposed budget 2015/16 is £300k including the saving. This is a volatile budget as it is needs led. All schools have a virtual learning environment (VLE) and there are e-learning packages which could be made better use of to support home tuition. It was suggested that a strategic plan was required which the service and the schools would participate in, but it was acknowledged that this was more likely to impact on the budget 2016/17. Members felt that insufficient additional analysis had been provided and a review at the end of the Summer term was required.

**ACTION: Review the Home Tuition budget at the July meeting of the Schools' Forum**

C. Burnham

**DECISION: The Schools' Forum agreed the proposed saving of £28,500 in the home tuition budget.**

Vulnerable Children

The possible saving £20,000 could be achieved by tightening the funding criteria.

**DECISION: The Schools' Forum agreed the proposed saving of £20,000 in the vulnerable children budget.**

Engaging Potential

Members asked why there were no proposed savings against the £540k Engaging Potential budget. Engaging Potential is a commissioned statutory service providing alternative education packages for 14 KS4 young people with behavioural, emotional and social difficulties statements whose needs cannot be met in any other provision. The current contract is due for renewal in August 2015 and it may be possible for a lower price to be negotiated. However Jane Seymour pointed out that this was set up to reduce out of county costs and the annual £39k per place is good value compared to the £70k per annum for an out of county placement.

**ACTION: Progress/impact on all the savings and the Engaging Potential tender are to be reviewed at the end of the Summer term.**

J. Seymour

## **8. PRU BUDGET PROPOSALS 2015/16**

Cathy Burnham presented the report on the Pupil Referral Units budget proposals 2015/16.

Currently there are four funding bands which are based on the pupil's needs and the staffing ratio requirement. For pupils in the Reintegration Service (RS) primary schools pay 50% of the lowest band for a maximum of 12 weeks and secondary schools pay 100% of the lowest band but for a maximum of 6 weeks. In both primary and secondary the difference between the payment by the school and the band is paid by the High Needs Block.

Where a pupil is in the KS4 Alternative Curriculum (AC) the school pays £1,500 a term, which is the equivalent of the AWPU, for a maximum of 2 years and the High Needs Block pays the difference between the AWPU and the actual band.

The current model was introduced in 2013/14 when the High Needs Block was under spending. The effect on the High Needs Block 2014/15 is a forecast over spend of £410k in 2014/15 in PRU top up funding and for this pressure to remain in 2015/16.

In the short term it is proposed that in the financial year 2015/16 a single band is used. The new daily rate will be £103.25. This is based on the average of the four current funding bands and amended to reflect the change in place funding from £8,000 to £10,000. By implementing this proposal it is estimated that there will be no increase required to the High Needs PRU top up budget, so a saving of £476,500.

The proposal under consideration assumes that the cost to school and duration of payment remain unchanged. For a pupil entering RS, primary schools would pay the current rate of £38 a day and the LA High Needs Block £65.25 a day for the first 12 weeks after which the LA pays the whole £103.25 through the High Needs Block. Secondary schools would pay the current rate of £76 a day and the LA High Needs Block £27.25 a day for the first 6 weeks after which the LA pays the whole £103.25 through the High Needs Block.

For AC, schools would continue to pay £1,500 per term (£4,500 per year) with the balance (£15,117.50 per year) met by the high needs block.

For all permanent exclusions the LA High needs block will continue to meet the full cost, though the relevant AWPU funding is removed from the school.

Currently SEN top up funding comes out of the PRU top up funding. There will need to be an exceptional rate on a case by case basis.

The long term proposal from 2016/17 is that the PRU top up funding budget be delegated to the schools who directly commission services from the PRUs, alternative providers or develop their own resources.

Both the Reintegration Service and Alternative Curriculum are expected to end 2014/15 with large surplus budgets (£135k and £265k respectively) which includes contingencies for future running costs (RS £120k and AC £115k). Stacey Williams stated that the RS contingency would be absorbed by the reduction in funding and that they will need to be full from September 2015 to break even assuming the expenditure is the same. The PRUs were concerned about what happens if pupils cannot get into RS and then the KS4 pupils cannot get into the AC which could be exacerbated by the savings proposed in the PRU Outreach funding. Stacey asked whether the priority was filling the places to balance the budget; the priority is the pupils.

Stacey felt that the proposal represented the LA position from the high needs funding point of view, but did not look at how much the PRUs needed to function. The members discussed the need for the PRUs to review their operations costs and that they may need to meet pupils' needs in a different way. The challenge is manage the change from a needs led budget to a school budget.

**ACTION: Impact of the revised funding system to be reviewed at the end of the Summer Term.**

C. Burnham



**DECISION:** The Schools' Forum agreed the adoption of a single daily rate of £103.25 for 2015/16 with schools continuing to be charged as per the current (2014/15) payment arrangements with the LA High Needs Block making up the difference.

**DECISION & ACTION:** For the financial year 2016-17 the Schools Forum agreed the proposal that the PRU Top Up budget be delegated to schools that can directly commission services from the PRUs, other alternative providers or develop their own resources. Further work on this proposal will continue in 2015 with Headteachers participation.

C. Burnham

## 9. EARLY YEARS BUDGET PROPOSALS 2015/16

Claire White on behalf of the Early Years Steering Group presented the report on the Early Years funding and budget proposal 2015/16.

The total under spend for 2014/15 is forecast at £722k mainly due to Government funding of two year olds being fixed at a much higher take up level than the actual. This has helped offset the increase in take up of three and four year old places which has not been matched by an increase in DSG funding. In 2015/16 two year old funding will be based on January census data akin to three and four year old funding, which increases the uncertainty for this block of funding. The 2015/16 funding estimate for the purpose of setting the budget has been based on the January 2015 census, and including the carry forward totals £7.729m.

The proposal for 2015/16 is that the formula and funding rates will remain the same as 2014/15, and the overall budget requirement of £7.715m can be met by utilising the carry forward.

The carry forward will only help 2015/16 and the Early Years Steering Group will start work in the Summer term to look at ways of balancing the budget in 2016/17 including reviewing the hourly rates and formula as there are no other funding streams available to this sector. The only way of making savings in the EYB is to reduce the funding rate to providers (which needs to go to consultation with all providers) and it was too late to do this for 15/16.

Suzanne Taylor added that there are about 97 settings in the sector which includes private and state run nurseries that have the challenge of coping with term by term changes to pupil numbers, statutory staff to pupil ratios, many staff paid on minimum wage, and in effect real time funding cuts as there has been no increase in rates since 2010. Given the only option to make savings is to cut the funding rates to providers; time is needed for settings to plan for this.

Volatility will also be an issue with the introduction of the Early Years Pupil Premium Grant (EYPPG) from April 2015. The volatility in pupil numbers means the Early Years Steering group are not sure that the EYPPG funding which will also follow the child will be sufficient and any shortfall will also have to be met from the EYB.

The whole of the early years block is a high risk budget that will need careful review during the year.

The recommendation from the Heads Funding Group was to agree the proposals. The funding of the SEN pre-school proposed saving from the EYB was also discussed and agreed.

**DECISION: The Schools' Forum agreed that the Early Years under spend 2014/15 should remain in the Early Years Block in 2015/16.**

**DECISION: The Schools' Forum agreed the Early Years budget proposals set out in the report with an amendment for the £10k transfer from EYB to HNB for Early Years Pre-School SEN.**

## **10. BALANCE CONTROL SCHEME FOR NURSERY, SPECIAL AND PRU SCHOOLS**

Claire White introduced the report on a Balance Control Scheme for Nursery Schools, Special Schools, and Pupil Referral Units which had been requested by the Schools' Forum for consideration.

Before considering a scheme for these particular schools, it was put to the Forum whether the scheme for primary and secondary schools was now fit for purpose in the current financial climate and whether an alternative and less stringent scheme should be considered which would apply to all schools.

Academies no longer have a claw back scheme and many local authorities no longer operate a scheme for maintained schools. The Schools' Forum members felt that a scheme should be lighter touch and allow schools to make early efficiencies to support their medium term planning rather than encourage them to spend funding to avoid a claw back. The members felt that whilst it was not correct to allow schools to accumulate large balances more autonomy was required and balances should be allowed to be carried forward for good reason and reviewed in conjunction with their budget plan for the next three or four years, although this may mean that the threshold percentage needs increasing. The scheme should also take account of how each type of school is funded.

**DECISION & ACTION: The Schools' Forum agreed to review the whole scheme for all maintained schools, including special schools, nurseries and PRUs. The review should include suggested threshold rates and clarity over the rational for which schools may retain funding, with a view to implementing for year end 31 March 2016.**

C. White

## **11. WORK PROGRAMME FOR 2015/16**

Claire White presented the proposed work programme for 2015/16. The work programme will be updated to include the 2015/16 savings reviews,

PRU budget 2016/17 review, the Early Years budget 2016/17 review, and Balance Control review.

**ACTION: Reviews to be added to the work programme**

C. White

## **12. DSG MONITORING 2014/15 – MONTH 10**

The Schools Block is estimated to under spend by £2k in 2014/15, the Early Years Block is forecasting an under spend of £678k and the High Needs Block is forecast to under spend by £294k

The main pressures within the High Needs Block are £423k against top up budgets and £410k against the PRU top up cost centre. These are being offset against an under spend on the contingency budget.

## **13. UPDATE FROM THE SE DIRECTORS OF CHILDRENS SERVICES GROUP**

Ian Pearson provided a verbal update on the lobbying of Government regarding the level of funding for schools when costs are increasing. The Directors of Children's Services Group and Irene Neill on behalf of West Berkshire Council have written to the Secretary of State for Education but as yet no reply has been received.

### **ANY OTHER BUSINESS**

#### Park House Growth Fund Bid

The Schools' Forum considered the application for Growth Funding from Park House School. Although Park House's pupil numbers had increased in year 7 from 117 in September 2013 to 179 in September 2014, overall the pupil numbers were 773 in 2013 compared with 769 in 2014. The Growth Fund criterion is based on total number of pupils not individual year groups. It was noted by members that if Park House qualified, then most other schools would do so, but this was not the purpose of the growth fund which is to make up for the lag in AWP funding (based on total pupil numbers).

**DECISION: The Schools' Forum unanimously rejected the application as it does not meet the criteria for the growth fund.**

#### CSFAN Introduction to Education Finance Course

There are two places available on the CIPFA Introduction to Education Finance on 26<sup>th</sup> March in London. Claire White invited members of the Schools' Forum to attend.

**ACTION: Place to be booked on the course for Jeanette Clifford.**

**C. White**

Meeting closed 7.10 p.m.

**Date of next meeting: Monday 15th June 2015**  
**Time: 5pm**  
**Venue: Shaw House**