

DRAFT

Note: These Minutes will remain DRAFT until approved at the next meeting of the Committee

SCHOOLS FORUM

MINUTES OF THE MEETING HELD ON MONDAY, 28 SEPTEMBER 2015

Members Present: Jacquie Davies, Jon Hewitt, Stacey Hunter, Brian Jenkins, Mollie Lock, Sheilagh Peacock, Chris Prickett, Chris Prosser, David Ramsden, Graham Spellman, Bruce Steiner, Suzanne Taylor and John Tyzack (Chairman)

Also Present: Avril Allenby (Early Years Service Manager), Caroline Corcoran (Education Service Manager), Ian Pearson (Deputy Corporate Director (Communities) & Head of Education Service) and Claire White (Finance Manager (Schools)), Jo Reeves (Policy Officer)

Apologies for inability to attend the meeting: Reverend Mark Bennet, Richard Blofeld, Patricia Brims, Paul Dick, Mary Harwood, Derek Peaple, Clive Rothwell and Charlotte Wilson

Members Absent: Councillor Dominic Boeck, Fadia Clarke, Kate House, Peter Hudson and Keith Watts

PART I

1 Minutes of previous meeting dated 13 July 2015

The minutes of the meeting held on 13 July 2015 were approved as a true and correct record.

2 Actions arising from previous meetings

The Schools' Forum constitution had been updated and was available on the website.

The Heads Funding Group Terms of Reference had been updated.

The consultation for the Balance Control Scheme would be sent to schools in October and a report would be considered by the Schools Forum in December 2015.

All other actions were either on the agenda for this meeting or were due to be completed at a later date.

3 Declarations of Interest

There were no declarations of interest received.

4 Membership

The Schools Forum was asked to note the following changes in membership:

- Catherine Morley, Headteacher of Theale Primary School, had stepped down from the Schools Forum and Heads Funding Group. There was therefore a vacancy for a Primary Head.
- Paul Dick, Headteacher of Kennet School, and Charlotte Wilson, Headteacher of the Trinity School, had been re-elected to the Schools Forum and Heads Funding Group by Academy Heads.
- Chris Prickett, Headteacher of Streatley Primary School, would reach the end of his term in October 2015.
- Reverend Mary Harwood had been re-elected by the Diocese of Oxford.

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- Stacey Hunter, Headteacher of the Reintegration Service, would be the Pupil Referral Unit Representative, however Jacquie Davis, Headteacher of the Alternative Curriculum, would also attend as substitute.

5 Election of the Chair and Vice-Chair

Outgoing Chairman, John Tyzack handed the meeting to Ian Pearson, who asked for nominations for the Chair of the Schools Forum. No nominations had been received in advance and no volunteers had come forward.

Prompted by Ian Pearson, John Tyzack recalled that when elections for Chair were last held, the Trade Union representative had been ardent that John Tyzack be elected Chair. David Ramsden proposed that John Tyzack be elected Chair of the Schools Forum. The proposal was put to Forum members and agreed.

John Tyzack in the Chair.

John Tyzack asked for any nominations or volunteers for Vice-Chair of the Schools Forum. After some hesitation from members, Bruce Steiner put himself forward. He stated that he had experience of managing some 20,000 people in his professional life and now he was enjoying retirement he would have the time to commit to the role. Graham Spellman proposed that Bruce Steiner be elected Vice-Chair of the Schools Forum. The proposal was put to Forum members and agreed.

DECISION: that John Tyzack be elected Chair of the Schools Forum and that Bruce Steiner be elected Vice-Chair of the Schools Forum.

6 Primary & Secondary School Formula 2016/17

Claire White introduced the report to set the School Formula 2016/17. The Department for Education had announced the arrangements for the formula on 16 July 2015 with no amendments to the regulations.

At the meeting of the Schools Forum on 13 July 2015, members agreed that if there was no change to the regulations, they would propose no change to the formula for 2016/17 in comparison to 2015/16.

All primary and secondary schools were consulted on this proposal from 1 September to 8 September 2015. There were few responses and one response expressed the view that more funding should be allocated through the deprivation factor.

Heads Funding Group had recommended that Schools Forum accept the proposal to make no change to the School Formula 2016/17.

The funding blocks would continue not to be ring fenced and the Schools Block could be used to fund the High Needs Block in the case of a shortfall. If there was any increase in funding, the Schools Forum could take a decision on how to allocate the surplus at the meeting in January 2016.

The only impact on individual schools would be where they were receiving minimum funding guarantee due to the original formula changes in 2013 (their funding would reduce by 1.5% per pupil). The exemplification in the consultation document used current (October 2014) data. Schools' final funding allocation for 2016/17 would be based on their pupil numbers (and other relevant data) in the October 2015 census. If this changed significantly then so would their funding.

DECISION: that the Primary and Secondary School Formula 2016/17 be endorsed by the Schools Forum and considered by the Council's Executive on 19 November 2015.

7 De-delegations 2016/17

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Ian Pearson introduced the report which sought to review the services which maintained schools de-delegated to be centrally provided in 2016/17. The Primary and Secondary School representatives on the Schools Forum were each required to make a decision for their own phase.

There were four services where maintained schools had the option to pool back funding for the service to continue being centrally provided in 2016/17 on the basis of economies of scale or pooled risk. These being:

- Behaviour Support Service
- Ethnic Minority Support Service
- Trade Union Representation
- Schools in Financial Difficulty

The Schools Forum noted that attached as Appendix E to the report was a letter from the Trade Unions expressing their support for schools to continue to de-delegate funding in respect of Trade Union Representation.

The recommendations from Heads Funding Group were as follows:

Service	Primary	Secondary
Behaviour Support	YES	YES
Ethnic Minority Support	YES	YES
Trade Union Representation	YES	YES
Schools in Financial Difficulty	YES	NO

DECISION: that the Schools Forum agree to de-delegate funding in respect of the above listed services as per the recommendations of the Heads Funding Group.

8 Additional Funding Criteria Proposals for 2016/17

Claire White presented the report to outline the Additional Funding Criteria Proposals for 2016/17.

Under the current school funding regulations, no in-year adjustments to funding allocations were permitted and all funding to schools had to be allocated through the approved formula. There were however, four circumstances under which the local authority could provide additional funding:

1. A growth fund for the purpose of supporting growth in pre-16 pupil numbers to meet basic need.
2. A falling rolls fund where a population bulge was expected in the future but where a good and necessary school or academy currently had surplus places and faced an unmanageable funding shortfall in the short term

(The local authority was required to produce criteria on which any growth funding or falling rolls fund was to be allocated.)

3. Funding for schools in financial difficulty.
4. Funding from the high needs block could be used to allocate additional funding to schools with a disproportionate number of high needs pupils.

The only proposed change for 2016/17 was to the growth fund for new schools, having received some further clarification on this from the DfE. Although a new school would not be opened until September 2017 at the earliest, it would be advisable to have the criteria in place as soon as possible for new schools to be able to estimate their likely funding well in advance, and for the Schools' Forum to be aware of the likely cost to be met from the DSG (there would be no additional DSG funding for new schools).

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The change was in relation to diseconomies of scale funding for new schools. The DfE had clarified that whilst a new school was growing to full capacity, the local authority could agree with the new school the number of pupils it required for it to be financially viable, and use this number for funding the school through the formula. This would be instead of an estimate of actual pupil numbers being formula funded plus diseconomy of scale funding from the growth fund. The advantage would be that there was certainty of the funding level at an early stage which would be beneficial for both the school, and Schools' Forum in determining costs against the DSG budget. A number of local authorities were now using this method. It was therefore proposed to remove diseconomy of scale funding from the growth fund, and fund via the formula instead. This should make no difference to the amount of funding required overall from the DSG budget.

Bruce Steiner enquired whether other Local Authorities were taking this approach. Claire White responded that it was discussed at a meeting in Summer 2015 with other local authorities and the DfE had issued guidance to Local Authorities on using this option.

Graham Spellman noted that the opening of a new schools might incur additional costs of up to £100k. Claire White confirmed that before a new school opened it would need funding from the Growth Fund for the costs of any staff recruited upfront; there would be a cap of £75k plus £25k for other pre opening costs. The formula funding for the school would need to be met from the DSG, which for a primary school opening with 60 places would be in the region of £300k.

Graham Spellman pressed the need for existing schools to be made aware of another school opening and the impact that this might have on the funding they would receive. Caroline Corcoran commented that schools received the formula information and Ian Pearson agreed that a briefing note would be useful in order to share that information with schools.

Claire White reminded Forum members that they needed to agree the budgets for each additional fund. The proposals outlined in the report were that they were kept the same but members would need to be mindful of the changes to the growth fund when setting the 2017/18 budget.

DECISION: that the criteria and funding be agreed as laid out in the report and its appendices.

9 Primary Schools in Financial Difficulty - Bid for Funding

Ian Pearson introduced the report which examined a bid from Kintbury St Mary's CE Primary School for a sum of £18,677 from the Schools in Financial Difficulty Fund.

Since 2013, local authorities had been required to delegate to all schools the contingency previously held for schools in financial difficulty. Each phase in the maintained sector then had the option to de-delegate the funding to centrally retain it. This decision was made annually. In 2015/16, Primary Schools chose to de-delegate this funding.

The balance of the fund for 2015/15 was £233,960, including the unspent budget from 2014/15. No payments had been made so far in 2015/16. The criteria for allocation of the funding was laid out in the report.

A bid had been received from Kintbury St Mary's CE Primary School for £18,677 to cover redundancy costs, which has been incurred from restructuring the school in order to reduce costs as part of its long term budget planning.

Heads Funding Group had recommended that the Schools Forum approve the award of £18,677 from the Schools in Financial Difficulty Budget.

David Ramsden commented that he had not been present at the meeting of the Heads Funding Group and expressed concern that the decision taken might set a precedent for

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further bids for funding. He noted that although the bid was for £18,677 it was to cover redundancy costs associated with restructuring, the numbers of high needs pupils, the response to a 'requires improvement' judgement from Ofsted and other factors which might effect any primary school. Claire White responded that an in depth discussion was held at the Heads Funding Group meeting which touched on the point raised however the bid was deemed to meet the criteria to receive funding from the Schools in Financial Difficulty Fund. Primary Schools had chosen to de-delegate money to this fund.

John Tyzack summarised that this was a legitimate bid for funding and met the criteria as agreed by the Schools Forum. Claire White agreed that the school had made a clear and well-informed application.

DECISION: that the sum of £18,677 from the Schools in Financial Difficulty Fund be awarded to Kintbury St Mary's CE Primary School to cover redundancy costs.

10 High Needs Place Funding 2016/17

Ian Pearson introduced the report which set out the proposed High Needs Place Funding for 2016/17.

Place funding in 2015/16 was based initially on place funding allocated by the Education Funding Agency (EFA) in 2014/15. The local authority had attempted to make 'exceptional' requests for increases to the planned places at Brookfields, The Castle, Trinity ASD Resource, West Berkshire Training Consortium (WBTC) and Newbury College but all were refused apart from four planned places for the WBTC and Newbury College due to the stringent criteria. A formal challenge against this decision was unsuccessful; an experience shared with many other local authorities.

In 2016/17, local authorities would have the flexibility to move planned place funding between institutions in line with any changing patterns of need but there would be no overall increase in planned place funding.

The purpose of the report was to inform the Schools Forum of this matter and to open up a discussion.

Claire White provided an update that further information had been received the previous week, following the publication of the agenda that the local authority would only be permitted to reallocate place funding for pre-16 places. The local authority would be required to inform the DfE by 16 November 2015 if any changes were being proposed to the place funding for Academies. Clarification was offered that changes could be made to maintained Primary and Secondary Schools without informing the DfE.

Graham Spellman summarised that the proposal was to reallocate High Needs place funding from those schools that were undersubscribed to those that were oversubscribed as the local authority was not able to reallocate the High Needs Block funding. Claire White confirmed that it would be known in January 2016 whether any more funding would be available in the High Needs Block or not.

David Ramsden sought clarification on how the planned places for 2015/16 was calculated. Claire White answered that they were unchanged from 2014/15. A bid to cover exceptional growth had been attempted but had not been successful.

Ian Pearson commented that the government was underfunding Special Needs and it would be a challenging task to reallocate place funding in some cases in order to minimise the impact on the schools.

ACTION: an updated report would be considered by the Schools Forum on 7 December 2015.

11 Early Years Formula 2016/17

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Claire White presented the report which examined the Early Years Formula for 2016/17.

In setting the 2015/16 early years block budget, it was recognised that the in-year estimate of funding (through the early years Dedicated Schools Grant (DSG)) did not cover the estimated payments through the early years single funding formula (EYSFF) for three and four year olds. In 2015/16 this was being covered by a one off carry forward of unspent two year old funding in 2014/15, as agreed by the Schools' Forum.

Moving forward, the current formula rates for the EYSFF would not be sustainable if the DSG rate remained the same. The following table demonstrated the net estimated position for 2015/16 (without the carry forward being applied):

Three & Four Year Old Funding:	Budget Set 2015/16
PVI Providers	4,726,470
Nursery classes in Mainstream schools	1,080,100
Maintained nursery schools	808,730
Total Expenditure	6,615,300
DSG 3 & 4 year old Grant	-6,105,071
Net Shortfall	510,229

If all things remained equal (i.e. DSG funding rates, hours of provision, quality of provision, formula rates) there would be approximately a £500k shortfall in 2016/17, and it was therefore assumed at this stage that this is the level of saving that would need to be found.

The Early Years Steering Group had met twice since April, and considered what options were available in order to bring the cost down by approximately £500k.

Four options had been discussed as follows:

- 1) Removing all quality rates and increasing the base rates up to the level of funding available
- 2) Reducing all quality rates by the same percentage down to the level of funding available
- 3) Replace the current (four) quality rates with two new simplified quality rates, with the total funding being paid through quality rates reduced down to the level of total funding available.
- 4) Replace all base and quality rates with just one hourly rate for all providers (as per two year old funding). The rate will be similar to the unit of funding received through the DSG.

The Group had also looked at benchmarking information from the authority's statistical neighbours and other Berkshire authorities, comparing West Berkshire's rates and methodologies.

Options 1 and 4 had been ruled out, mainly because through these options there would be some providers that had a rate increase, and it was felt that all providers should take a

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share of the cut. It was also felt that quality of provision should still feature in the funding rates.

Once the Group had more information regarding the budget forecast for the current year and the Government's future intentions for funding of early years (probably following the spending review), further work would be carried out on the formula, and a proposal would be brought to the Schools' Forum.

Once a proposal was agreed, providers would be sent this information including an exemplification for their own setting.

Avril Allenby confirmed that no information had been provided by the government in relation to the proposed 30 hours free childcare for some households or the feedback from the pilot.

Brian Jenkins stated that this matter would be a 'thorny subject' for Early Years PVI Providers as nurseries tended to be small and there would be a great impact. If the hourly rate charged was above the hourly rate received from the government, the nursery would be making a loss and some small nurseries might go out of business. This would be exacerbated if the number of free hours of childcare was increased to 30 hours. It was a difficult subject and he did not anticipate a high turnout for responses to the consultation.

John Tyzack asked if the timescales were known; Avril Allenby replied that the local authority would have to continue to pursue options to reduce the shortfall and present proposals to the Schools Forum ready for April 2016. Brian Jenkins advised that 'an announcement' was anticipated from the government in the Autumn of 2015.

David Ramsden noted that options 1 and 4 had been ruled out by the Steering Group however explained that this did not mean the Schools Forum could not decide to take one of these options. He supported the next steps as laid out in paragraph 3.1, 3.2 and 3.3 of the report and agreed that the Steering Group be given the opportunity to do what they could to mitigate the impact of the shortfall. David Ramsden felt that Primary and Secondary Schools had been dealing with such a crisis themselves over a number of years and there had been a huge impact on schools and children.

ACTION: the report be noted and a further update to return to the Schools Forum on 7 December 2015.

12 DSG Budget Monitoring 2015/16 Month 5

Ian Pearson introduced the report which presented the monitoring on the Dedicated Schools Grant (DSG) at month 5 of 2015/16.

At the end of August 2015 the total DSG overspend position forecast for year end was £273k, all in the high needs block, as shown in Figure 1 below:

	Total Current Budget £m	Actual Spend Forecast Month 5 £m	Month 5 Forecast Outturn Variance £m
Schools Block (inc ISB)	65,464,140	65,464,140	0
Early Years Block	7,629,750	7,629,750	0
High Needs Block	16,141,010	16,413,890	272,880

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Total Net Expenditure	89,234,900	89,507,780	272,880
Support Service Recharges	720,890	720,890	0
Total Expenditure	89,955,790	90,228,670	272,880
DSG Grant	-89,955,790	-89,955,790	0
Net Position	0	272,880	272,880

The Schools Block was expected to be largely on-line. Any under spends in the growth fund contingency budget and primary schools in financial difficulty budget would be ring fenced and carried forward to 2016/17 and would not impact on the overall position of the DSG. There might be a small overspend on the delegated primary and secondary budgets due to rating revaluations.

A detailed assessment of the forecast for the Early Years block budgets would be undertaken once the Autumn payments have been made to providers and a projection could be made for Spring payments.

The High Needs Block was forecasting an overspend of £272k, the bulk of which was in relation to new placements in non West Berkshire Special schools, mainly Thames Valley Free School. Additional placements over and above allocated place numbers in the Council's own special schools were also causing a pressure.

A more detailed report on the high needs budget and a review of the savings targets that were set for the current year's budget would be brought to the next meeting of the Schools' Forum in December 2015.

Stacey Hunter enquired any of the pressures were 'one-offs' or whether the Schools Forum should expect them to be persistent pressures. Ian Pearson commented that some were demand led and therefore less predictable.

Claire White added that of the £280k spent on non-WBC special schools top-up, the majority related to one or two pupils with significantly high needs.

Graham Spellman enquired upon the control of these costs. Ian Pearson responded that there were some pupils with needs that the schools were unable to accommodate. The local authority would look for the best value option in the 'market place' and consider whether any of the options had places, what their costs might be, what an additional travel costs might be. There might only be one option available within a travelling distance so there was a limit to the choice available without more specialist settings in the district.

ACTION: the report be noted.

13 Forward Plan

The forward plan for November 2015 – January 2016 was noted.

14 Any Other Business

No other business was raised.

15 Date of the next meeting

The next meeting of the Schools Forum would be held on 7 December 2015, 5pm at Shaw House.

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16 Exclusion of Press and Public

RESOLVED that members of the press and public be excluded from the meeting for the under-mentioned item of business on the grounds that it involves the likely disclosure of exempt information as contained in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information)(Variation) Order 2006. Rule 8.10.4 of the Constitution also refers.

17 Engaging Potential Budget Review

The Schools Forum considered the exempt report.

18 Joint Strategic Review of Pupil Referral Unit Provision

The Schools Forum considered the exempt report.

(The meeting commenced at 5.00 pm and closed at 6.34 pm)

CHAIRMAN

Date of Signature