

# 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, 6 MARCH 2017

**Forum Members Present:** Reverend Mark Bennet, Ben Broyd, Anthony Chadley, Jonathon Chishick, Catie Colston, Jacquie Davies, Chris Davis, Paul Dick, Lynne Doherty, Antony Gallagher, Keith Harvey, Reverend Mary Harwood, Jon Hewitt, Peter Hudson, Mollie Lock, Sheilagh Peacock, Chris Prosser, Graham Spellman (Vice-Chairman), Bruce Steiner (Chairman), Suzanne Taylor and Keith Watts and Nicola Walters

**Also Present:** Avril Allenby (Early Years Service Manager), Ian Pearson (Head of Education Service), Jane Seymour (Service Manager, SEN & Disabled Children's Team), Claire White (Finance Manager (Schools)) and Annette Yellen (Accountant for Schools Funding and the DSG), Jessica Bailiss (Policy Officer (Executive Support))

**Apologies for inability to attend the meeting:** Angela Hay, Brian Jenkins, David Ramsden and Charlotte Wilson

#### PART I

#### 81 Minutes of previous meeting dated 23rd January 2017

The Minutes of the meeting held on 23<sup>rd</sup> January 2017 were approved as a true and correct record and signed by the Chairman.

#### 82 Actions arising from previous meetings

Members of the Schools Forum noted that one action was completed and the other was ongoing. Chris Prosser stated that there was nothing to report regarding action Jan17-Ac2 at that time, however they would continue to raise awareness of the vacancy.

#### 83 Declarations of Interest

There were no declarations of interest received.

#### 84 Membership

The Chairman reported that Derek Peale had reached the end of his term as Academy School Representative and it had been proposed by Academy Headteachers that a shared position be created going forward consisting of the Headteachers from St Bartholomew's, Denefield and John O'Gaunt schools.

The Chairman stated that it was preferable that one Headteacher be nominated as the representative and the other two be substitutes. This would ensure continuity of ongoing discussions. All would receive the papers and minutes for every meeting.

**RESOLVED** that the Schools Forum agreed that there should be one nominated Academy representative and two nominated substitutes going forward.

#### 85 Final DSG Budget 2017/18 (Claire White)

Claire White introduced the report to the Schools' Forum, which set out the final position of the Dedicated Schools Grant (DSG) budget for 2017/18. Claire White commented that

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the report provided updated information from that which was provided at the meeting of the Schools' Forum in January.

It was suggested that the Forum go through agenda items seven and eight before voting on the recommendation set out under paragraph 2.1 of the report, which was to agree the overall DSG budget for 2017/18.

Regarding the Schools Block the Council's Executive had agreed the formula funding on the 19<sup>th</sup> January, along with the methodology for allocating headroom to schools. All headroom (£226k) was allocated out to schools as per the agreed methodology and schools had received their formula funding allocation for 2017/18.

Although the funding rates for the Early Years Block had been confirmed, the final funding was determined by hours of provision in both the January 2017 census (five twelfths) and the January 2018 census (seven twelfths)

The funding for the block was currently estimated based on the draft January 2017 census, plus the estimate used by the Department for Education (DfE) for the increase to 30 hours of provision from September 2017. It was unknown what the impact this increase in hours would have on the budget position.

The High Needs Block funding was confirmed and would not change. The 2017/18 allocation added an additional £350k, which was based on actual population and assumed population increases. There was a more detailed report on this area next on the agenda.

### **86 Final High Needs Budget 2017/18 (Jane Seymour))**

Ian Pearson introduced the report to the Schools' Forum, which set out the final proposal for balancing the high needs block budget over 2017/18 and 2018/19. He stated that it largely followed on from the discussion that had taken place at the last meeting of the Schools' Forum in January.

West Berkshire remained in a difficult position as it experienced increases in numbers and age range however, would not receive an increase in funding to meet these growing demands. The budget had been well controlled overtime and had only suffered difficulties over the past two years. Paragraph 3.4 of the report outlined a number of ways the Local Authority was striving to deliver its policy to help ensure there was local provision for children with Special Educational Needs or Disabilities (SEND) and a reduction in reliance over time on external specialist placements.

Ian Pearson drew attention to the table on page 20 of the report. This included a range of saving options that were ranked. There was a total saving calculated at the bottom of each column. When this table was discussed by the Heads' Funding Group (HFG), there had been concern raised about just taking the savings in column one, as this would not sufficiently deal with the deficit.

Ian Pearson drew the Forum's attention to paragraph 5.4, which had been added to the report as a result of the HFGs discussion. If just category A savings were agreed, it would take three years for the deficit to be paid back and for the budget to be balanced. The HFG had been uncomfortable with this approach and recommended savings further to category A be taken. They recommended the following additional savings, totalling £104,780 be taken, which would bring the total savings in 2017/18 to £219,090:

- £20,000 reduction to the Specialist Inclusion Support Service – the two special schools to absorb the cost.
- £40,000 reduction to PRU outreach – the PRU to absorb the cost.

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- £20,000 reduction to the Vulnerable Children's' Fund.
- £24,780 by reducing top up rates for mainstream, resource units and special schools by 0.5%.

Proposed savings bullet pointed above needed to be agreed by the Schools' Forum. The impact of the savings if they were agreed were shown in Table 3 of the report. Although there would be a deficit in 2017/18 and 2018/19, it was predicted that there would be a surplus of £432,180 by 2019/20.

Claire White highlighted that top up funding on page 37 of the agenda needed to be approved.

Catie Colson felt that the feasibility and sustainability of the proposed savings needed to be checked. She wanted assuring that it was realistic for schools to make the cuts and queried if the Schools' Forum would be in the same position in two years time. Ian Pearson stated that it was difficult to predict how much money there would be in 2019/20. Regarding feasibility, no-one was implying the savings would be easy for schools. Jane Seymour reported that they had tried to select areas with the least risk. For example, regarding the Resource Units, all units were under subscribed and therefore it made sense to make savings in this area. Any cuts that required schools to make up the difference were more difficult.

Regarding the top up rates being reduced by 0.5%, schools would be required to make up the difference in funding however, the numbers were relatively small. Catie Colson stated that some schools would - be setting a deficit budget and therefore picking up costs could be difficult.

Peter Hudson asked if there was a down stream cost risk associated with the proposed savings. Jane Seymour reported that some of the potential savings identified in columns B and C would have a down stream costing risk and this was why effort had been made to avoid these areas. Jane Seymour did not think that the identified £220k of savings had down stream cost risk attached.

Jonathon Chishick queried how a set deficit was normally funded and Claire White confirmed it had to be the first call on the following years budget. Jonathon Chishick was also concerned about the surplus amount in 2019/20 and Ian Pearson reported that discussions had taken place regarding the approach to the cuts at the HFG. Concern had been raised given the changing system and that nothing was guaranteed. It had therefore been felt that building in a degree of flexibility was advisable for in the event that the end result was not as positive as originally anticipated.

Paul Dick confirmed that he had been part of the discussions at the HFG where further cuts had been supported. He had little confidence that the budget would balance in the third year. He added that there might be a small grant consisting of capital money that would be available to the local authority to help improve provision within the High Needs Block. Paul Dick stressed that if this money became available it was important that it went to the HFG for discussion to ensure it was maximised to its full potential.

Claire White referred to the forecast surplus amount for 2019/20 and stated that a number of the budgets with proposed cuts could be reinstated at a later date if there was a funding surplus.

Keith Harvey stated that he had not been in support of further cuts at the HFG however, he did agree that the surplus could be used for something positive in the future.

Keith Watts was concerned that they were just moving costs around, in particular for those pupils with additional needs. He asked for assurance that costs were not being moved from the collective to the individual. Ian Pearson explained that due to the

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complexity of the formula it could not be guaranteed however, fair access was needed to avoid particular schools being penalised.

Ian Pearson reminded Members of the Forum that the HFG was made up of headteachers from all the different types of school across West Berkshire and they were aware of the implications for colleagues.

Keith Harvey commented that he was least comfortable with the cut to top up rates. This was because special schools were already impacted upon by other additional cuts. Ian Pearson was aware that special schools would be impacted upon the most however, there did not seem to be an alternative solution. The level of impact also depended on the number of statements.

The Chairman asked the Forum to vote on the recommendations set out under 2.1, 2.2 and 2.3 of the report. Paul Dick proposed that the Forum agree the recommendations and Jon Hewitt seconded the proposal and at the vote the motion was carried.

**RESOLVED that** the Schools' Forum agreed the following recommendations:

- 1) To agree the budget for 2017/18 as set out in Section 5 of the report.
- 2) To agree that the top up high needs funding rates for 2017/18 are a 0.5% reduction on the 2016/17 rates (as set out in Appendix C of the report)
- 3) To agree that the PRU top up charges for schools in 2017/18 remain the same as 2016/17 (as set out in Appendix C of the report).

### 87 Final Early Years Budget 2017/18 (Avril Allenby)

Avril Allenby introduced the report to the Schools' Forum, which set out the proposal for the Early Years budget.

As proposed in the consultation there would be a universal base rate required for all types of providers. The Early Years Pupil Premium Grant and deprivation funding would continue at the current rate of £1. There would also be a Disability Access Fund (DAF). £615 per child, per year, would be payable to children in receipt of Disability Living Allowance.

A Special Education Needs (SEN) Inclusion Fund would be required by April 2017 and the details would be published by the local authority as part of its local offer.

Avril Allenby drew attention to paragraph 3.14 of the report, which stated that the pass through rate had been confirmed as 93% for 2017/18 and 95% thereafter.

Avril Allenby stated that it was important to remember the context of the changes, when the Government would be introducing an additional 15 hours for three to four year olds from September 2017. It was anticipated that this offer would experience a high level of uptake in West Berkshire. The Early Years budget was particularly difficult to predict.

Regarding the budget model for 2017/18, it was proposed that for three and four year olds West Berkshire used a single base rate of £4.25 with a quality supplement of £0.65 and a deprivation supplement based upon the current arrangements with the funding being linked to the early year's pupil premium. For two year olds the proposed rate was £5.45. The three year budget model was contained within the appendices to the report.

Attention was drawn to the table on page 47 of the report. The provider funding rates would need to be revisited each year in order to balance the budget by 2019/20.

The Chairman asked the Forum to vote on the recommendation set out under paragraph 1.1 of the report. Suzanne Taylor proposed that the Forum agree the recommendation and Chris Davis seconded the proposal and at the vote the motion was carried.

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**RESOLVED that** the Schools' Forum agreed the three year budget model for the Early Years block, based upon the recommendations of the Early Years Funding Group.

The Chairman asked the Forum to vote on the recommendation set out under 1.1 of the report under agenda item six (Final Dedicated Schools Grant (DSG) Budget 2017/18). Chris Prosser proposed that the Forum agree the recommendation and Peter Hudson seconded the proposal and at the vote the motion was carried.

**RESOLVED that** the Schools' Forum agreed the overall DSG Budget for 2017/18, having considered the other reports contained on the agenda.

### **88 School and High Needs Consultation (Claire White)**

Claire White introduced the report, which aimed to inform the Schools' Forum about the current Government consultation on the proposed national funding formula for schools from 2018/19, and the proposed methodology for funding the high needs block from 2018/19. The closing date for responses to the consultation was 22 March 2017.

Page 53 of the report included the summary of the proposals and implications for West Berkshire Schools regarding the Schools National Funding Formula.

The basis for the consultation was so schools would be funded fairly, to help ensure children with similar characteristics and similar needs attracted similar levels of funding regardless of where they lived. There were currently significant differences in the levels of funding received by similar schools located in different parts of the country. London authorities in particular received more than double the amount of funding of the lowest funded schools.

The second stage of the consultation addressed how the funding would be weighted across the different factors. Implementation would be from April 2018 and September 2018 for Academies. From 2019/20 the national formula would be in place and there would be very little flexibility for schools through the Schools' Forum.

For schools that gained funding, the maximum gain per pupil in 2018/19 would be 3% and a further 2.5% in 2019/20. For schools that lost funding, there would be a minimum funding guarantee of minus 1.5% per pupil year on year. There would also be a funding floor that would ensure no school would lose more than 3% per pupil overall.

Regarding the new funding formula, funding had been redistributed between the factors. This had taken away funding from the basic entitlement and lump sum and added funding to additional needs. The table under paragraph 2.8 of the report illustrated how schools across the country would be affected.

The DfE had not determined the basic entitlement and lump sum funding rates by applying a needs based approach. There had been no explanation as to why the Government had weighted the funding based on deprivation and there was concern over whether this was a fair approach. The point coming across in the press was that fair funding could not be reached without more money being added to the funding pot.

When comparing the total of all school formula allocations in 2016/17 to what the total would be using the proposed formula, West Berkshire was a loser. The loss however, in financial terms was very small (£218k).

The schools that gained overall were those with higher deprivation and/or high level of low prior attainment and/or small rural primary schools would qualify for sparsity funding. Due to the reduction in secondary sparsity rates, one secondary school in West Berkshire would lose.

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Appendix A of the report repeated the consultation questions. Questions four and five were based on weighting and question 11 on the finding floor.

Other areas covered by the consultation included the Central Services Schools Block. Central services previously funded from the Schools' Block would have a separate new funding block and formula based on a per pupil amount, plus a deprivation element. The exemplification showed that West Berkshire would lose funding.

Paul Dick stated that he would be interested to see the Council's position and therefore it was agreed the Council's draft response would be forwarded to all schools.

The report on page 63 of the agenda pack included the summary and implications for West Berkshire Schools regarding the High Needs National Funding Formula. It also included a summary of the proposals.

High needs funding was currently based on a historical amount, which had only seen minimal increases over the last several years. The first stage of the consultation set out the case for reform and proposed methodology on which to operate a high needs formula. The second stage of the consultation set out the proposal for how funding would be weighted across different factors.

For local authorities that would lose funding, there would be no cash losers as a result of the new formula. The Government had not taken into account the number of children with high needs within an area.

Claire White reported that when running the formula there were winning and losing local authorities. 50% was based on what was being spent and the other 50% was based on proxy factors. The result of using the proxy factors reduced West Berkshire's high needs funding block allocation by £2.6million or 15%. The funding floor ensured West Berkshire would not lose. So in essence the new funding formula was about distributing additional funding.

into the pot and it was confirmed that it was. Keith Watts asked which local authorities gained and Claire White confirmed those with high deprivation rates and low prior attainment would gain.

Reverend Mark Bennett commented that there could be a correlation between deprivation and children with high needs. He was concerned that there was not a sufficient population number to ensure robust averages. He also reported that Disability Living Allowance (DLA) was particularly difficult to apply for and support needed to be given to families when filling out the forms. Jane Seymour confirmed that services within the local authority did support families applying for DLA.

Graham Spellman expressed his scepticism of the Government and it seemed a number of local authorities would lose.

**RESOLVED that** a copy of the Local Authorities response to the consultation would be forwarded to all schools.

**RESOLVED that** the Schools' Forum noted the report and that all Members endeavour to respond to the consultations. It was agreed that this would provide more weight than one single response from the Schools' Forum.

### 89 **Alternative Provision for Young People with Additional Needs (Caroline Simmonds)**

Ian Pearson introduced the report that aimed to give an update on the proposals for Alternative Education Provision: Education Plan for young people with additional needs.

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Ian Pearson highlighted that the main change was the increase in secondary school places. Home Education would remain within Alternative Provision services in 2017/18, but this would be reviewed..

The table under paragraph 6.4 set out the costs of the proposed model including additional costs to schools. The estimated saving to the High Needs Budget (compared to the 2016/17 budget) would be £589,000.

When the Heads Funding Group had considered the information they had proposed two recommendations:

- i) That Home Education is reviewed prior to the 2018/19 financial year with the aim of looking to see how costs can be reduced.
- ii) That the staffing model for the new service is further reviewed before the 2018/19 financial year to see how costs to schools can be reduced to avoid the level of increase set out in paragraph 6.4 of the report.

Keith Watts referred to the recommendation (ii) and felt that it should read that 'costs to schools might be reduced' rather than 'can be reduced'. Keith Watts also raised the issue of unqualified teachers and asked whether this was legal (*Post meeting note: staffing in the proposed new PRU structure is in line with the latest regulation for the employment of unqualified teachers*).

Keith Harvey proposed that the Forum agree the recommendations by the HFG and this was seconded by Chris Prosser and at the vote the motion was carried.

**RESOLVED that** the Schools' Forum agreed the recommendations by the HFG set out in section nine of the report, subject to the wording being amended as suggested by Keith Watts.

### 90 DSG Monitoring 2016/17 Month 10 (Ian Pearson)

Ian Pearson introduced the report to the Schools' Forum which set out the current financial position of the services funded by the Dedicated Schools Grant (DSG), highlighting any under or over spends.

Ian Pearson drew attention to paragraph 7.1 of the report and stated that the High Needs Block was showing an under spend of just £183k not £43k.

**RESOLVED that** the Schools' Forum noted the report.

### 91 Apprenticeship Levy (Ian Pearson)

Ian Pearson informed Forum Members about the Apprenticeship Levy. It was intended that guidance on this would be provided informing schools on how money could be accessed. There was also more information on the DfE website. The Levy was set at 0.5% of each individual school's pay bill subject to National Insurance contributions. Most of the levy would initially go towards accredited training for non teaching staff however, it was likely that this list would expand.

Schools would be able to bid for the money and a mechanism for allocating the funding was required. This could possibly involve a sub group of the Heads' Funding Group.

Peter Hudson requested that a summary regarding how the funding was used be published. Ian Pearson confirmed that this would be done once the funding had been distributed.

**RESOLVED that** the Schools Forum noted the information given on the Apprenticeship Levy and requested that the Heads' Funding Group oversee assessing bids to access this pot.

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### **92 Work Programme 2017/18 including Forward Plan (Jessica Bailiss)**

**RESOLVED that** the Schools' Forum noted the Work Programme for 2017/18.

### **93 Any Other Business**

There was no other business raised.

### **94 Date of the next meeting**

The next meeting would take place on Monday 19<sup>th</sup> June 2017, 5pm at Shaw House.

*(The meeting commenced at 5.00 pm and closed at 6.10 pm)*

**CHAIRMAN** .....

**Date of Signature** .....