

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, 19 JUNE 2017

Present: Reverend Mark Bennet, Ben Broyd, Jonathon Chishick, Catie Colston, Chris Davis, Lucy Dawe, Paul Dick, Antony Gallagher, Angela Hay, Brian Jenkins, Mollie Lock, Sheilagh Peacock, David Ramsden, Graham Spellman (Vice-Chairman), Bruce Steiner (Chairman), Suzanne Taylor and Keith Watts

Also Present: Ian Pearson (Head of Education Service), Claire White (Finance Manager (Schools)), Annette Yellen (Accountant for Schools Funding and the DSG), Jessica Bailiss (Policy Officer (Executive Support)) and Ann Kells (Schools Accountant)

Apologies for inability to attend the meeting: Councillor Anthony Chadley, Jacque Davies, Councillor Lynne Doherty, Keith Harvey, Reverend Mary Harwood, Jon Hewitt, Peter Hudson, Chris Prosser and Charlotte Wilson

PART I

1 Election of Chairman and Vice-Chairman

Ian Pearson in the Chair

Ian Pearson opened the meeting and welcomed Lucy Dawe to the School's Forum, who had replaced Derek People as Academy School representative.

The Forum then moved on to nominate and vote on the positions of Chairman and Vice-Chairman for the coming year.

RESOLVED that Bruce Steiner would continue as Chairman of the Schools' Forum for the 2017/18 financial year.

Bruce Steiner in the Chair

RESOLVED that Graham Spellman would continue as Vice-Chairman of the Schools' Forum for the 2017/18 financial year.

2 Minutes of previous meeting dated 6th March 2017

The Minutes of the meeting held on the 6th March 2017 were approved as a true record and correct record and signed by the Chairman.

3 Actions arising from previous meetings

Members of the Schools' Forum noted that two of the actions were completed and one was ongoing.

4 Declarations of Interest

There were no declarations of interest received.

5 Membership

RESOLVED that Lucy Dawe had joined the Schools' Forum. There were no further changes to note regarding the Membership.

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6 School Funding Arrangements for 2018/19 (DfE consultation) (Claire White)

(*David Ramsden joined the meeting at 5.10pm*)

Claire White gave a verbal update to the Schools' Forum and reported that in light of the recent general election there was nothing yet to update regarding school funding arrangements. It was anticipated that plans for the national school funding formula might be delayed for another year however, nothing had been confirmed.

The next Schools' Forum meeting would take place in July and Claire White was doubtful that there would be an update in time for this meeting. If there were any changes announced, information would be brought to the Forum for discussion.

7 PRU Strategic Review - Update (Caroline Simmonds)

Ian Pearson stated that he would present the report, which sought to update the Schools' Forum on the progress towards the development of a single Alternative Education Provision.

Recommendations that had been drawn up as a result of the Joint Strategic Review were in the process of being implemented. This work was being led by the Headteacher for the provision Jacquie Davies.

The report gave clarity regarding redundancy costs. It was anticipated that the under spend incurred by the PRUs for the current year should cover the pending redundancies.

The new service, which would be called the 'icollage' alternative curriculum, would be implemented from the 1st September 2017.

The initial proposal was for Home Education to be separated from the service however after consultation it was agreed that it should remain within the service but its structure and location be reviewed. This review would start in September 2017 and would be completed by 31st March 2018.

The structure and cost of the new service would be reviewed in 2017/18. A working group of Headteachers would be set up by the Headteacher of 'icollage' and the work undertaken would be completed by 1st September 2018.

Paul Dick raised concern that home schooling would be a problem moving forward. It had been highlighted at a recent Pupil Placement Panel meeting that the costs for this service could be astronomical and if this was the case the service would not be utilised. Paul Dick volunteered to be on the Working Group.

The Chairman asked how the working group would be set up and Ian Pearson confirmed that the Headteacher for the area would set the group up. It was likely that volunteers would be sought from the Heads Funding Group and Schools' Forum.

RESOLVED that the Schools' Forum noted the report.

8 School Balances 2016/17 (Claire White)

Claire White introduced the report to the Schools' Forum, which set out for information purposes the year end balances for all maintained schools, highlighting those schools with a deficit or significant surplus.

Claire White drew attention to Table 1 on page 16 of the agenda, which summarised the overall closing balances (all funds) of West Berkshire Maintained schools compared to the previous year. A more detailed breakdown of this information was contained in Appendix A.

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Claire White reported that school revenue balances had continued to decrease over the last year by £1.2m (23%). The greatest reductions were in primary schools. The overall level of balances continued to remain high in special schools and pupil referral units (PRUs).

Claire White moved on to highlight figures on Table 2 of the report, which gave a breakdown of the 2016/17 year end balances by type of fund.

Table 3 showed the financial position of schools opening and/or closing the year in deficit or who had set a deficit budget for the year but closed with a surplus. The table highlighted those schools with a planned deficit for the year and all of them apart from Beenham had been able to reduce their deficit, and two schools had ended the year with a surplus. Claire White commented that this showed how hard schools had worked to manage their budgets to try and reduce the deficit as soon as possible.

In total 15 schools had closed the year with a deficit and there had been a huge increase in unplanned deficit. It was disappointing that the number of schools closing the year with a deficit had increased from five at the end of 2015/16, and from seven actually setting a deficit budget for 2016/17.

Many of the schools with an unplanned deficit had set a budget with little contingency. Claire White suggested that there needed to be more in year scrutiny on schools in this position . All schools with a deficit had been asked to produce an explanation setting out how this had happened and the detail of this was included under Appendix B.

Claire White stated that a number of schools had shown a significant swing in their forecast for January 2017 to what they had actually closed the year with in March 2017. This brought the quality of forecasting being conducted into question. In response to strengthening quality of budget forecasting in schools, the local authority would be offering a new software package as part of the accountancy buy back service, which would be rolled out to schools from the autumn term.

Reverend Mark Bennett queried if any exploration had taken place into why forecasted figures in January were so different to end of year figures and Claire White confirmed that it had not.

Paul Dick stressed that the authority did not seem to be taking enough action. Many schools worked extremely hard to stay within budget however others were not. The local authority needed to be harder on schools with growing deficits and if no improvement was made then financial delegation should be removed. Paul Dick felt that it was unfair on other children in the district if these schools were not held to account. Claire White agreed with Paul Dick's comments. She stated that schools who had set a deficit had been worked with to help reduce this. The local authority was currently setting up additional corporate processes to agree a strategy to support those schools 'at risk' to help prevent them going into deficit. Further information on this area would be brought to the next meeting of the Schools' Forum in July.

Catie Colston expressed that she was not surprised that more schools were in deficit at the end of the year. There was very little that small schools in particular could do to reduce their deficits. Most schools had sound finance systems in place however there was a limit to what could be done besides combining or shutting schools. Claire White stated that this would be touched on at the next Schools' Forum meeting including options for smaller schools that were experiencing difficulty.

David Ramsden queried if financial support to schools classed as 'at risk' was being monitored. He was concerned about schools that were repeatedly 'at risk' and continuously provided with financial support. Paul Dick stated that there were many grant and subsidies available to schools and they needed to either be supported to consider such options themselves, or it should be done for them.

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Ian Pearson stated that much would be out of the local authority's hands once the national formula came into play. They needed to take a longer term view and identify schools that needed support sooner rather than later.

David Ramsden referred to schools with surpluses and queried how they had managed to avoid using them. Claire White stated that she was also surprised that the schools in question had not had to use all of their surplus funds. David Ramsden believed that the number of schools with a surplus had risen since the claw back scheme had been put in place however, Claire White confirmed that this was not the case and the number of schools had actually decreased.

Reverend Mark Bennett referred to the case of the Willows, where it was said there had been miscommunication regarding an extra class. Schools could face problems due to wilful ignorance however, if they were placed in difficulty then a lesson needed to be learnt from this. Ian Pearson stated that a conversation had taken place with a number of schools regarding taking on extra classes. To make this viable 20 to 30 pupils would be required. At the Willows the Headteacher had taken a view on staffing for the forthcoming year with an extra class in mind however, when the number of pupils was confirmed, not enough had chosen the Willows to warrant an extra class.

Ian Pearson stated that this situation had occurred for a number of reasons including parental choice about where to send their children to school and this had meant the situation had not worked out as it had been anticipated. Some schools had attempted to resolve their staffing problems by moving the member of staff to a school that was struggling with numbers.

Reverend Mark Bennett queried how the local authority was working with schools who had catered for bulge years including secondary schools that would feel the strain later on. Ian Pearson stated that there had not been an issue with bulge years at secondary school level. The popularity of particular schools was a very influential factor in such matters.

Reverend Mark Bennett felt that with school funding facing increased pressure moving forward, care needed to be taken in how these issues were handled. Ian Pearson agreed however, stated that there were a range of other factors involved besides local authority involvement.

Graham Spellman referred to the new software that would be rolled out to schools to support them with their finances and asked if there was any evidence to suggest that schools were cutting corners. He further questioned if schools were equipped to take on the new software. Claire White stated that every school in West Berkshire had adequate finance staff who were able to take on the new software.

David Ramsden stated that the new software would not fix the problems faced by schools. Claire White stated that staff using the new software would have to apply their intelligence however, it would help them to factor in all purchasing and staffing commitments. There were a lot of draw-backs to the spreadsheets that schools were currently using as they were complex and cumbersome, whereas the new software package was much easier to use.

Keith Watts noted that the problems faced by Westwood Farm School could not have been planned for. Claire White stated that this was why there was a Schools' in Financial Difficulty Fund.

RESOLVED that the Schools' Forum noted the report.

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Claire White introduced the report which set out the actual deployment of the Dedicated School Grant (DSG) in 2016/17 and explained the main variances. The report also proposed the amounts to be carried forward to 2017/18.

Claire White highlighted that Members would need to approve the overall carry forward and the utilisation of the unspent DSG funding being carried forward from 2016/17 to 2017/18, as set out in section eight of the report.

Claire White drew attention to Table 1 on page 32 of the report, which summarised the overall year end position for each DSG block and also compared to the month 10 forecast, which was used when setting the budget for 2017/18. The planned overspend had been £1,001m however, had actually only amounted to £345k so was £656k better than anticipated and £362k less of an overspend than the month 10 forecast.

Table 2 showed the impact upon each block. Positively the High Needs Block was £306k better off than anticipated.

Schools Block

Table 3 detailed a breakdown of the variances in the schools block. During 2016/17, only two schools received funding from the Primary Schools in Financial difficulty de-delegated fund. The Schools Forum had a decision to make regarding the unspent funds:

- 1) It could be added to the 2017/18 budget (bids from schools would be required), or:
- 2) It could be held in the current years budget (as per all other de-delegated services) and used to reduce the cost of that de-delegated service to schools in the following year.

John Chishick queried how many primary schools would be in deficit entering 2017/18 and it was confirmed that there would be 11. More information regarding the total deficit would be brought to the Schools' Forum meeting in July.

Keith Watts noted that many schools were undergoing re-structuring and might require the extra funds. John Chishick felt that it was now sensible to have a budget that was over funded. Ian Pearson added that decisions to allocate the fund had been taken by Head Teachers at Schools' Forum meetings.

Paul Dick was of the opinion that it was best to leave the decision making regarding the funding for as long as possible.

Claire White confirmed that other de-delegated services included, behaviour support and English as an additional language. Costs to schools for these services could be reduced by leaving the money where it was. Under regulations the local authority could not hand the money back to schools.

Claire White referred to paragraph 5.5 of the report which stated that when setting the 2017/18 budget it was assumed there would be an under-spend of £300k on the growth/falling rolls fund, and this was allocated out to schools in the 2017/18 formula. Although this budget had under spent by an additional £33k, the other budgets accumulated to a net over spend of £60k. It was therefore proposed that the net deficit of £27k on the schools block should be carried forward.

David Ramsden felt that the Forum should hold back on making any decisions at the present time.

Early Years Block

Claire White reported that due to uncertainty in the area, the funding for Early Years was demand led, with providers claiming funding for actual hours of provision (up to 15 hours per child) at the hourly rate that had been set for the year.

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Funding through the DSG was based on the January census count for 2016 and 2017. Both expenditure and funding were therefore difficult to predict due to variability.

The actual numbers of hours of provision for 2, 3 and 4 year olds was greater than the budget, but it would not be matched by an increase in DSG funding, hence the £389k overspend, which was £182k greater than the forecast overspend.

Claire White reported that the increased net overspend of £182k was mainly due to the fact that funding was based on the January census. This had not represented the actual 'average' count for the year, where summer numbers were significantly higher than the January average. This could also be due to higher hours of provision at the higher funding rate rather than the average (budgeted) funding rate. The £207k budgeted shortfall in DSG grant was due to the claw back of 2015/16 funding.

Suzanne Taylor felt that the impact of the 30 hour provision was extremely concerning. Claire White confirmed that this would be dependent on the January 2018 census.

John Chishick asked if the increase in summer numbers was a national dilemma and Claire White confirmed that it was because children were eligible for the funding from the term after their third birthday. From September the numbers gradually increase peaking in the summer term. .

Brian Jenkins stated that the variation across the block was huge and the Chairman expressed his concern for the area.

High Needs Block

Table 5 summarised the outturn of the high needs block, listing separately both high cost and demand led/unpredictable services.

The original budget set an overspend of £795k. At month 10 a net overspend of £610k was forecast and it was assumed that this figure would need to be met from the 2017/18 high needs block grant. The actual was £489k, which was £121k lower.

Top up funding had under-spent by £240k however, this was counteracted by the PRU spend.

Ian Pearson stated that the Schools' Forum had given a great deal of attention to the High Needs Block in 2016/17 as it was aware it would be in a difficult position. A range of issues were happening in PRUs that had caused added cost to the area, including a number of pupils staying on longer (when schools would cease to contribute to the costs); there had been a higher than expected number of post 16 students and a number of students had required additional funding to be applied to them.

Reverend Mark Bennett was concerned that cut backs to the area would compromise the quality of support to students with high needs. Ian Pearson reassured members of the Schools' Forum that both services in the area had been rated as 'Good' by Ofsted and both actively worked to reduce the number of NEET. Jacque Davies was committed to providing a good level of provision for students and to ensuring they achieved good outcomes.

John Chishick noted that top up funding for PRUs was over budget whereas top up funding for schools was under budget and queried if PRUs were holding onto funding. Ian Pearson confirmed that there was no such relationship between the two areas.

Keith Watts asked why there was a significant under-spend for Vulnerable Children Funding (VCF). Ian Pearson confirmed that a report on the VCF, which would elaborate on the under-spend would be brought to the next meeting of the Schools' Forum in July. Claire White added that one reason for the under-spend was because the amount of funding available to spend in 2016/17 increased to £98k due to carry forward from 2015/16 of £38k in exclusion savings. It had been agreed that this money should be

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added to the VCF. Due to this it was being requested that the underspend on the VCF be carried forward.

Claire White reported that section 8 of the report detailed a summary of carry forward proposals. Table 6 detailed the 2017/18 budget virements to reflect the net change in DSG resources to be carried forward to 2017/18. For the three blocks this resulted in an overall budgeted overspend of £764k reduced from £844k, split as follows:

- Schools Block - £25,910
- Early Years Block - £251,270
- High Needs Block - £486,870

Due to overestimating by £363k the overspend to be carried forward, the effect on the DSG budget if the proposals were agreed would be an increase of £283k in various service budgets. There would be an overall reduction of £80k in the budgeted overspend of grant at the end of 2017/18.

Claire White stated that the Schools' Forum needed to agree the overall carry forward amount. John Chishick expressed his confusion because many schools were experiencing financial difficulty at that point in time. Clare White highlighted details on the Primary Schools in Financial Difficulty budget on page 26 of the report, which amounted to a total of £314k. Claire White stressed that regulations did not allow the money to be handed back to schools in the current financial year.

Graham Spellman proposed that the service specific carry forwards be agreed and that the remaining £80k be carried forward to offset the 2017/18 overspend and this was seconded by Chris Davis.

RESOLVED that the overall carry forward amount from 2016/17 to 2017/18 be utilised as set out in the report.

10 Trade Union Facilities Time - Annual Report for 2016/17 (Keith Watts)

Keith Watts introduced the report to Members of the Schools' Forum regarding 'Facilities Time' and asked if there were any questions.

David Ramsden was concerned that some schools were not paying into the facilities service and therefore were being subsidised by those who were paying for the service. Keith Watts confirmed that this was not the case. There was a case worker for academies and academies were only entered outside of working hours. It was always stressed to academies that they should be buying into the service. Keith Watts was aware of the issue raised and confirmed that minimal support was provided to academies.

Lucy Dawe reported that a contract for 'facilities time' had been brought to her attention however, she did not have historical details on the contract for Denefield School and therefore needed further information. In house colleagues had also been unable to help with her queries. Keith Watts confirmed that he would contact Lucy Dawe outside of the meeting to discuss the contract further.

Graham Spellman asked Keith Watts if there had been an increase in demand for the service. Keith Watts confirmed that demand had largely increased due to three factors: redundancy processes; increases in case work for medial health/capacity and also support to Headteacher members who were being challenged over responsibilities between Headteachers and Governing bodies. This was often destabilising for the whole school. Keith Watts confirmed that they were working hard to have more robust systems in place.

RESOLVED that the Schools' Forum noted the report.

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11 Forward Plan

The Chairman asked all to note that a meeting of the School's Forum would take place on 30th October 2017 and that there would no longer be a meeting on the 23rd October 2017.

12 Any Other Business

There was no other business raised.

13 Date of the next meeting

The next meeting would take place on Monday 17th July 2017, 5pm at Shaw House.

(The meeting commenced at 5.00 pm and closed at 6.15 pm)

CHAIRMAN

Date of Signature