

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, 17 JULY 2017

Present: Reverend Mark Bennet, Councillor Anthony Chadley, Jonathon Chishick, Catie Colston, Jacquie Davies, Chris Davis, Paul Dick, Councillor Lynne Doherty, Antony Gallagher, Keith Harvey, Angela Hay, Jon Hewitt, Brian Jenkins, Julia Mortimore, Sheilagh Peacock, Graham Spellman (Vice-Chairman), Bruce Steiner (Chairman) and Suzanne Taylor

Also Present: Gabrielle Esplin (Finance Manager (Capital, Education and Treasury Management)), Ian Pearson (Head of Education Service), Claire White (Finance Manager (Schools)), Katharine Andrews (Accountant (Schools)), Helen Newman (Governor at the Willink School) and Jessica Bailiss (Policy Officer)

Apologies for inability to attend the meeting: Ben Broyd, Lucy Dawe, Reverend Mary Harwood, Peter Hudson, Councillor Mollie Lock, Chris Prosser, David Ramsden, Keith Watts and Charlotte Wilson

PART I

14 Minutes of previous meeting dated 19th June 2017

The Minutes of the meeting held on the 19th June 2017 were approved as a true and correct record and signed by the Chairman.

15 Actions arising from previous meetings

There was one action outstanding regarding the vacant governing body position on the Schools' Forum. The Chairman welcomed Helen Newman, who would be observing the meeting with a view to taking on the vacant governor role.

16 Declarations of Interest

There were no declarations of interest received.

17 Membership

The Chairman announced that it was Sheilagh Peacock's last meeting of the Schools' Forum and thanked her for the contribution that she had made during her time as a Member of the Forum. Patrick Mitchell, School Business Manager at Francis Baily School would assume the position from September 2017.

18 Schools' Forum Membership and Constitution from September 2017 (Jessica Bailiss)

The Schools' Forum considered a report (agenda item six), which present a review of the membership of the Schools' Forum. Jessica Bailiss reported that there was a requirement to review the membership and Constitution annually and that there had been no changes to the Schools' Forum regulations, which required changes to the Constitution.

Jessica Bailiss stated that the membership for the Schools' Forum must reflect the proportion of pupils within each sector. Although there had been a slight increase in

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academies, changes in pupil numbers across the sectors were not significant enough to require a change to the composition of the Forum.

Section four of the report listed members who would reach the end of their term in the coming months. Members would be contacted individually with the action they needed to take as set out in the Constitution.

In accordance with the report Jessica Bailiss invited Members to raise any questions and approve the Membership and Constitution from September 2017.

Catie Colston informed the Schools' Forum that when nominated for her position on the Forum, she had been the Chair of Governors at St Nicolas' Primary School however, she had since become the Chair of Governors at Enborne Primary School and questioned whether she needed to declare this and if it would affect her position. Ian Pearson confirmed that because her new role also fell within the Primary sector there was no issue. For clarity Ian Pearson added that this would only have become an issue if a role changed to a different sector, for example from Primary to Academy where all positions were occupied.

The Chairman invited members of the Forum to vote on whether to approve the membership and Constitution of the Schools' Forum from September 2017. Keith Harvey proposed that the recommendation within the report be approved and this was seconded by Chris Davis.

RESOLVED that the membership and Constitution from September 2017 be approved.

19 **Primary Schools in Financial Difficulty - Bid for Funding (Claire White)**

Claire White introduced the report (agenda item seven), which summarised a bid that had been received from a school in deficit to access funding from the schools in financial difficulty de-delegated fund.

Since April 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 and pool this funding with allocations made to schools that required it. This decision was made on an annual basis.

The budget for 2017/18 was £314,650, which included the carry forward of the unspent budget from 2016/17 of £194,670. No payments had so far been made in the 2017/18 financial year.

A bid had been received from Long Lane Primary School for £28,000 (out of a total deficit of £55,740) to cover one-off redundancy payments. The school had been managing an annual reduction in pupil numbers over the previous four years, mainly due to Purley Infants becoming a primary school. The main reason for the deficit was that pupil numbers were over estimated within the school's longer term planning.

The bid for funding had been received by the Heads Funding Group on the 5th July 2017 and it was recommending approval of the bid (subject to verification of the robustness of the deficit recovery plan), with payment being the actual redundancy costs incurred up to a maximum of £28k.

Keith Harvey, who also sat on the Heads Funding Group, expressed the view that it was a strong bid and it was clear that it was being required for exceptional circumstances.

Paul Dick referred to paragraph 4.4 of the report and raised concern that the deficit recovery plan had not yet been reviewed in detail by Finance Officers at West Berkshire Council. Claire White confirmed that they had not yet been through the deficit plan in detail. In the unlikely event there was an issue which significantly changed their deficit position, the bid would be brought back to the Schools' Forum.

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Catie Colston questioned how far ahead the school had looked in terms of the effects of staff reductions on maintaining standards. Ian Pearson stated that this had not yet been set out in the context of discussions. Consideration had been given to what staffing was deemed as appropriate for the size of the primary school.

The Chairman invited Members of the Forum to vote on whether to approve the bid from Long Lane Primary School. Chris Davis proposed that the bid should be approved and this was seconded by Catie Colston.

RESOLVED that the bid for Long Lane Primary School be approved (subject to verification of the robustness of the deficit recovery plan).

20 **Schools Funding Arrangements for 2018/19 (Claire White)**

Claire White reported that there was no new information to report. There had been a Government announcement shortly prior to the meeting and it was anticipated that more detail would be available by September 2017.

21 **Resource Units - additional funding for exceptional circumstances (Claire White)**

Claire White introduced the report (agenda item nine) to the Schools' Forum, which set out a proposal to provide additional funding for resource units who need to stagger the entry for new pupils due to start at the unit at the same time.

West Berkshire currently had nine resource units at primary and secondary schools and a tenth was due to open in September 2017. Each provided specialist support and in West Berkshire there were units for pupils with physically disabilities, speech and language difficulties, autistic spectrum disorder (ASD), hearing impairments and specific literacy difficulties.

Each unit received funding of £10k for the number of places it supported. Sixth form places were funded at £6k in addition to the sixth form funding.

In most units the place funding did not cover the costs, so in addition top up funding was paid for each pupil in a unit. This funding "follows the pupil" and was paid by the local authority where the pupils lived. In West Berkshire there were three top up funding bands specific to each unit. The current funding rates were introduced in 2013 based on staff ratios for the number of pupils in the unit and at the relevant salary costs at that time, plus an allowance for non staffing costs.

The place funding and top up rates had not increased with inflation since they were originally introduced and in 2017/18 they were reduced by 0.5% as part of the high needs block savings requirement.

Although funding was fixed for a year, top up funding could vary if there was movement of pupils. Generally however the number of pupils would stay much the same for the year and as and when pupils left, their places would be refilled as soon as possible. Schools could therefore plan their unit budgets and staffing structures around the number of places and expected pupil numbers.

An exceptional circumstance had arisen at Theale Primary ASD Unit. Three pupils were due to leave the unit at the end of the summer term and although there were three pupils waiting to enter the unit, due to the complexity of their needs it was not possible to admit them all into the unit at once and they would therefore need to be integrated at different times. Not placing the pupils at the same time would have an impact on the unit's funding (approximately £10k shortfall).

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It was proposed that if any unit met the specific criteria for this exceptional circumstance, then additional funding would be payable as set out in section 5.2, 5.3 and 5.4 of the report.

Claire White explained that to ensure funding was fair and that the school was not disadvantaged by an exceptional circumstance beyond its control, additional funding as proposed would ensure other pupils in the unit were not disadvantaged in any way.

Claire White confirmed that it would be additional funding from the high needs block and Paul Dick expressed his view that with a sensible time limit, the proposal should be supported.

Jonathon Chishick queried what would happen if three children needed to transition from a primary unit to secondary unit however, there was not space available. Ian Pearson reported that children would have to be held at a primary unit if they could not be taken into a secondary unit. Jonathon Chishick further questioned if the unit where they remained would be funded accordingly and Ian Pearson confirmed that funding would be provided whilst they remained in the unit. It was thought that in this particular circumstance the pupils had been placed in different secondary provision.

The Chairman invited members of the Forum to vote on the proposal. Catie Colston proposed that the recommendation by the Heads Funding Group for approval of the proposal as set out in paragraph 5 of the report, be approved. This was seconded by Paul Dick.

RESOLVED that the proposal as set out in paragraph 5 of the report be approved.

22 **School Budgets 2017/18 and Schools in Financial Difficulty (Claire White)**

Claire White introduced the report (agenda item 10) which set out the overall position of maintained schools' three year budgets, highlighting some key observations, and detailed the strategy that the Council intended to follow for schools in financial difficulty.

Table 1 on page 29 of the report showed the position of schools' budgets. Although the number of schools setting a surplus budget (48) had stayed much the same, there had been a growth in the number of schools setting a deficit budget (11). There was a worrying trend that the number of schools in deficit was continuing to increase.

Table 2 showed the overall balances compared to the original budget/forecast. In 2016/17 the actual net balances were over £2m higher than the original budget. This illustrated the cautious approach that was being taken by schools and it was a trend that was not uncommon. In reality schools had a tendency to set budgets at the worst case scenario and through making careful spending decisions throughout the year were able to make improvements.

Highlighting Table 3, Claire White reported that there were eleven schools with a deficit budget for 2017/18 compared to seven last year (two of the seven schools setting a deficit in 2016/17 had a balanced budget for 2017/18). All except Beenham had improved on their forecast position, which emphasised the hard work most schools were putting in to improving their financial positions.

Looking at the year two and three forecasts, a significant overall net deficit balance would occur if schools took no action. This position was unlikely to materialise, as most schools would do what was necessary to balance their budget, with some taking difficult decisions regarding changes to the way they operated. However, the year two deficit figure was nearly £1m greater than the same figure last year.

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Many of the schools that had closed the 2016/17 financial year with an unplanned deficit and had gone into deficit in 2017/18 were those who had left it too late to take action, particularly if the deficit was large and the only option was to restructure.

In their forward planning schools would have assumed that funding rates per pupil would remain the same however, the proposed new national funding formula would change the likely funding each school would receive. As soon as new rates were known, schools would need to reassess their positions.

Claire White drew attention to section 6 of the report which outlined the proposed strategy to reduce the number and size of deficits. Headteachers would join senior finance staff in reviewing, challenging and advising on deficit recovery plans at those schools which were facing problems.

Proposed intervention for schools not meeting their deficit recovery plan was set out in section 6.5 of the report.

Claire White concluded that many schools in West Berkshire had successfully managed to balance and control their budgets, and had taken action to reduce costs, for which they must be commended. Action still needed to be taken to prevent further deficit.

Reverend Mark Bennett recalled that money had been awarded to Kintbury Primary School to support them with staff restructuring however, he noted that the school was still in deficit and queried if the plans had failed. Claire White commented that recovery often took time however, Kintbury Primary School had suffered a lower pupil intake than anticipated. Ian Pearson added that there had been a new Headteacher at the school who was working hard to turn the situation around. The viability of a school was often reliant on pupil numbers.

Chris Davis queried if everything possible was being done to help Parsons Down Primary School set its budget. Claire White reported that the school had a deficit budget of about £80k and that work was now being undertaken with the school to help turn this around.

Graham Spellman commented that the situation would get worse as time went by and he was concerned about the huge gap in forecasting from one year to the next. He questioned, given the huge need for support, if there was enough funding available for Officers to be able to provide this. Claire White reported that the strategy that the Council intended to follow for schools in financial difficulty had been agreed by the Council's Operations Board and therefore the necessary funding was in place.

Paul Dick commended the report and that the strategy for improvement involved Headteachers.

Brian Jenkins asked for clarification on paragraph 6.7 which suggested that the possibility of charging the cost of support back to schools would need to be explored. He expressed his view that this would be unhelpful to school which were already struggling. Claire White reported that the Council's Operation's Board had asked for more information on charging schools. Ian Pearson added that this would only be considered once a school had balanced its budget.

Councillor Lynne Doherty referred to the very recent announcement from the Government regarding school funding and commented that efficiency offers and a central resource had been mentioned, both of which could be extremely helpful to schools.

RESOLVED that the Schools' Forum noted the report.

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23 DSG Monitoring Month 3 (Ian Pearson)

Ian Pearson drew attention to the report (agenda item 11) which set out the current financial position of the services funded by the Dedicated Schools Grant (DSG), highlighting any under and over spends.

Ian Pearson highlighted the current position of each of the blocks. There was no variance forecast for the Schools Block at that stage in the year.

Table 3 set out the current position of the early years block and there was no variance at that point in time. The early years block was very difficult to predict due to the volatile nature of both the early years block funding and payments to providers.

Table 4 set out the current position of the High Needs Block, which was also showing no variance. There was an agreed overspend in this area.

Ian Pearson concluded that there were currently no significant variances, though it was not usually until the autumn term that changes to high risk budgets such as the high needs top up and early years payments became apparent.

RESOLVED that the Schools' Forum noted the report.

24 Vulnerable Children's Fund - Annual Report for 2016/17

Ian Pearson presented the report (agenda item 12) on behalf on Michelle Sancho who was unable to attend the meeting. The purpose of the report was to give a review of the Vulnerable Children's Fund (VCF) for 2016/17.

The report had been requested by the Schools' forum and the VCF sat within the High Needs Block. The VCF was a highly appreciated, relatively small fund for small schools who experienced unexpected additional financial pressures due to in-year admissions of children with challenging behaviour. It was specifically devised to promote social inclusion, reduce exclusions and reduce the pressure on SEN budgets by providing temporary funding.

Ian Pearson reported that Table 1 of the report showed how the VCF had been utilised. Case studies were also provided at the back of the report using fictitious names.

Councillor Lynne Doherty referred to paragraph 3.3 and noted that only 13 schools had responded to a survey regarding the VCF. Councillor Doherty expressed the view that providing feedback should have been a condition of receiving the grant. Councillor Doherty felt that there was a lack in awareness of the grant and questioned how schools were made aware of its existence. Ian Pearson commented that most schools should be aware of how to access the fund and also had access to minutes of the Schools' Forum however, effort would be made to publicise the VCF further.

RESOLVED that the Schools' Forum noted the report.

25 Forward Plan

RESOLVED that the Schools' Forum noted the Forward Plan.

26 Any Other Business

There was no other business raised.

27 Date of the next meeting

The next meeting would take place on Monday 30th October 2017, 5pm at Shaw House.

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(The meeting commenced at 5.00 pm and closed at 5.48 pm)

CHAIRMAN

Date of Signature