

**MINUTES OF A MEETING OF THE
SCHOOLS FORUM
HELD ON 18 MAY 2016 FROM 9.30 AM TO 11.30 AM**

Schools Representatives

Helen Ball	Primary Head - Polehampton Infant
Ali Brown	Primary Head - Nine Mile Ride Primary
Elaine Stewart	Primary Head - Aldryngton Primary
Mandy Turner	Primary Head - Shinfield Infant
Sylvia Allen	School Business Manager - Hawkedon Primary
Julia Mead	School Business Manager - St Sebastian's CE Primary
Carol Simpson	School Business Manager - Colleton Primary
Liz Meek	Special School Head - Addington School
Mary Rome	Pupil Referral Unit - Foundry College Headteacher
Ginny Rhodes	Secondary Head - St Crispins
Derren Gray	Academy Headteacher - The Piggott School
Janet Perry	Academy Business Manager - The Holt School
Paul Miller	Governor - St Crispins - Vice-Chair
Ian Head	Governor - Aldryngton Primary

Non School Representatives

Anne Andrews	Oxford Diocese
Charlotte Wilkinson	Early Years Forum

Also Present

Luciane Bowker, Democratic Services Officer
Donna Munday, Schools Finance Manager
Alan Stubbersfield, Interim Director Learning and Achievement

Paul Miller, Vice-Chair chaired the meeting in the absence of the Chair.

72 APOLOGIES

Apologies for absence were submitted from John Bayes, Brian Prebble and James Taylor.

73 MINUTES OF PREVIOUS MEETING

The Minutes of the meeting of the Committee held on 16 March 2016 were confirmed as a correct record and signed by the Chairman.

74 DECLARATION OF INTEREST

There were no declarations of interest submitted.

75 REVENUE MONITORING

The Forum considered the Revenue Monitoring report which was presented by Donna Munday, Schools Finance Manager.

Donna explained that the budget used to determine the school allocations on 20 January 2016 showed a forecast year end position of £838K surplus. This was subsequently revised down by Schools Forum to leave a £500K surplus position.

For the purpose of monitoring and being able to reconcile to the submitted s251 statement, the monitoring report started from the £838K position.

Donna drew attention to the increase in growth fund which was due to the opening of Shinfield West School a year earlier than initially budgeted for, along with the expansion of maintained primary schools Loddon, Highwood and Beechwood.

Donna explained that the internal recharges remained fixed for a fourth consecutive year, due to pre-existing contractual arrangements and were now included in the line 1.6.5. However, when they were removed from the Foundry budget to give greater clarity (lines 1.3.1, 1.3.2 and 1.3.3) the corresponding amount wasn't allocated to the miscellaneous line 1.6.5 in the 2015/16 budget, this missed transaction now appeared as a pressure in year 2016/17.

During the discussion of the item, the following points were made:

- Academy Members asked if academies could opt into the Supply Cover (Not sickness) insurance pot as they thought this would make more financial sense than having to buy this service separately;
- Donna stated that academies were not part of the de-delegation but that she was happy to make a calculation for academies. However, this would be as a traded service;
- Donna stated that the £41K overspend in supply cover staff costs had been the highest in recent years;
- Donna thought that there were other areas that potentially more schools could benefit from buying services together which were worth exploring;
- Donna stated that individual maintained schools could not opt out of de-delegation and that academies could not opt into de-delegated items;
- Donna stated that the de-delegation would be removed in the future with the implementation of the National Funding Formula in 2019/20.

RESOLVED That: Donna Munday would do the necessary calculations to find out the cost for academies to buy into the supply cover insurance as a traded service.

76 FINAL 2015/16 OUTTURN

The Forum considered the Final 2015/16 Outturn report which was set out on Agenda pages 11-13. Donna Munday, Schools Finance Manager introduced the report and explained that there was no provision for in-year adjustments through the formula, therefore any changes to Schools Block funding advised by DfE during a year impacted the following financial year.

In response to a question Donna clarified that figures for the High Needs Block and Early Years were adjusted on a termly basis; and in the case of academies on a monthly basis.

It was noted that there had been an overspend of £41K in staff costs as a result of supply cover not due to sickness.

Donna reported an improvement in the Outturn since the last meeting of the Forum, resulting from increased (non-Schools Block) in-year funding adjustments made by the DfE, as described in appendix A. Donna emphasised that there had been 11 versions of the DSG (Dedicated Schools Grant) received from DfE during the year and this was a much higher volume of amendments than in previous years.

This unprecedented number of adjustments had occurred largely as a result of changes in legislation around:

- Post 16 High Needs Block funding;
- Early Years 2 year old funding becoming participation led rather than place led;
- the inclusion for the first time of free schools in our allocation and
- the academisation of the largest secondary school in the borough – Waingels.

Donna predicted that more schools would become academies going forward and as a result more in-year adjustments were expected (these could go up or down). Donna suggested in future reporting these adjustments on a separate line in the budget monitoring as funds to be available the following year. This line would only be required for the financial years 2017/18 and 2018/19 as the introduction of the National Funding Formula would negate this need.

Donna stated that there was £251,000 additional income received in 2015/16 relating to Schools Block and pointed out that this amount was a one off which was not guaranteed for subsequent years. Donna was seeking the Forum's views on how best to proceed to allocate this additional income and listed the options available:

- Keep some or all of it in reserves for 2017/18 (2016/17 allocations already 'locked-in');
- Invite bids to spend the additional income for specific one off initiatives ideally with a positive general impact or
- Hold it in contingency for schools, academies and free schools in financial difficulty.

Alan Stubbersfield, Interim Assistant Director Learning and Achievement suggested the Forum considered keeping this surplus as a contingency to help schools under financial difficulties. For example, as reported in the media, a local school had recently had a number of staff suspended, creating a huge in impact in the school's budget. Alan stated that there were other circumstances and cost pressures that were not within management control.

The following points were raised during the discussion of the item:

- Members of the Forum questioned the difference between the issue of staff suspension and staff sickness in financial terms;
- Members mentioned that there were various rules around sickness payment;
- It was noted that some schools had insurance for such circumstances;
- Members noted that the surplus money was part of Schools Block and not the High Needs Block. Donna stated that Schools Forum had the discretion to move the money;
- Members noted that there was no contingency for schools in difficulty as agreed by Schools Forum previously;
- Donna stated that contingency was de-delegated and therefore academies and free schools were not considered part of it;
- It was suggested that a moderation panel or working group could be created to discuss the best use of this surplus money;
- It was proposed that this should be discussed at the next meeting in July in further detail and potentially including more options;
- The chairman asked the Members for a show of hands to have an informal indication as to which option was preferred and most people were in favour of holding the additional £251K income over until 2017/18 and including it in the AWPU distribution.

RESOLVED That: the £251K be carried forward and distributed through the AWPU in 2017/18.

77 SEN ALERT

The Forum received an updated report which was circulated at the meeting. Linda Orr, Special Educational Needs (SEN) Team Manager explained that further amendments had subsequently been made to the report and this would be circulated with the minutes.

Linda stated that there had been a lot of activity since the last meeting of the Forum, with a high number of places having been found and a number of successful placements being achieved. There were also significant numbers of searches for places underway.

Linda emphasised that it was particularly difficult to find new special school placements for children in Years 8 and 9 with moderate learning difficulties who were currently attending mainstream schools. Schools were struggling to match a suitable curriculum offer appropriate to their needs.

Linda reported the opening of Forest Bridge Free School in Maidenhead, which was proving very popular with parents and this was having an impact in the negotiation of placements. The parental preference and marginal cost difference (+£3K) required the preference to be agreed.

Linda also stated that there was a new provision in Heathermount School in Ascot which would offer places for foundation stage. At the moment there were four children undertaking assessments for placements. However, there were suitable places in Addington School and the difference in cost between these placements was in the region of an additional 30K per child per annum, there was an expectation that this would result in tribunals.

In response to a question Linda explained that new September starters were more costly than July leavers.

Liz Meek, Special School Head at Addington School raised the following issue:

Schools were required to keep places available for pupils who were involved in tribunal cases until a decision was reached. However, this could be a lengthy process and required an enormous amount of work from the school. This situation was costly in financial terms, as the school did not receive any top up funds for the reserved places, which could otherwise be filled. It was unaffordable to have empty places at the school and Liz was seeking the Forum's views to find a way forward to alleviate this situation. Liz reported that at the moment there were four places being held pending on tribunals and this equated to £60K.

Linda confirmed that the tribunal process could take four months or longer. Linda felt that the number of tribunals logged was indicative of the new provisions recently opened and parents being engaged in social network.

Members of the Forum agreed that more discussion around this issue was needed and asked that this item come back to the Forum for further analysis.

Members asked that in the future the SEN report should contain more information about costs, including the current placements and the placements that were anticipated. Also a further explanation about how the budget was compiled illustrating the methodology around forecasting.

Charlotte Wilkinson, Early Years Forum expressed a view that more could be done to help children at an earlier stage, she believed this could save money in the long run as children would be more equipped for school later in their academic career if help was offered at an early stage. Charlotte felt there was an opportunity for joint working.

Helen Ball, Headteacher at Polehampton School described how in her experience she had been disappointed that children had not had their assessments undertaken earlier and that this would have been helpful.

Linda stated that all assessments followed a process.

Linda updated the Forum to say that the figure on page 2 of the report should read - £54,998. *(After the meeting this figure has been revised and confirmed to be £80,998)*

RESOLVED That:

- 1) A mechanism for working with tribunals to alleviate the 'open place' financial burden generated on schools be brought back for discussion;
- 2) Future SEN reports to include more detailed costs around current placements, predicted placements and the budget forecasting process involved;
- 3) The updated report be circulated with the minutes.

78 SCHEME FOR FINANCING SCHOOLS - CONSULTATION REPORT

Donna Munday, Schools Finance Manager presented the report which was set out on Agenda pages 15-16. Donna explained that the current scheme for financing schools restricted the ability of the Local Authority to grant loans to maintained schools for anything other than capital expenditure. The Local Authority would like to be able to support schools by being able to grant loans for revenue purposes. In order to do this, the language defining the scheme for financing schools which applied to all maintained school, maintained nurseries, special schools and pupil referral units needed to be amended.

During the discussion of the item the following comments were made:

- Members questioned if schools converting to academies had their debt written off in the conversion process;
- Donna explained that only if a school was forced into becoming an academy could the debt be written off;
- Donna stated that the continuance of any loan agreement was part of the academisation process, and that a licence deficit was to be avoided if possible;
- Members questioned the reasoning behind this proposal and wished to find out more details as to why this was being proposed;
- Alan stated that this had been proposed by the Executive and it followed a trend from other Councils;
- Alan also mentioned that it was more 'acceptable' for Ofsted if a school in difficulty took out a loan rather than to be in a licence deficit position;
- Donna informed that there were not many mechanisms to help schools facing deficit and this proposal offered an alternative;

- Members felt anxious that this proposal would penalise schools, forcing them to take out a loan when they could otherwise have their debt written off at the time of academy conversion;
- It was suggested that this option should be discussed with schools in difficulty before a decision was made.

RESOLVED That: this item would be discussed at the next meeting with more clarity around the questions raised during the debate, including:

- Who bears the cost of writing off the debt of a school which was forced into academisation;
- How to ensure schools in difficulty would not be penalised by being forced to take out a loan;
- More clarity around how this affected Ofsted reviews.

79 FORWARD PROGRAMME

The Forum considered and noted the Forward Programme of work and dates of future meetings as set out on Agenda page 17.

The following items were agreed:

13 July 2016 – this meeting will be held in the Shute End offices of Wokingham Borough Council

- Revenue Monitoring
- 5 Year Plan Update
- Future of formula funding national/ local and DSG
- A mechanism for working with tribunals
- Scheme for financing schools

19 October 2016

- Revenue Monitoring
- SEN Alert
- Draft Proforma for Submission to EFA
- Consultation Responses
- Education out of school
- Foundry Report
- Early Years – 30 hours provision

14 December 2016

- Revenue Monitoring
- Draft 2017/18 Budget

The Forum was informed that Mary Davies, Maiden Erlegh Headteacher would be joining the meeting as an academy representative.

Alan Stubbersfield informed the Forum that Rob Stubbs, Head of Finance had accepted a job at another local authority and therefore was no longer a member of Schools Forum. The Forum wished Rob well in his new job and would like to thank him for all his help during his time at the Forum.