

**MINUTES OF A MEETING OF THE
SCHOOLS FORUM
HELD ON 18 OCTOBER 2017 FROM 9.34 AM TO 12.16 PM**

Schools Representatives

Helen Ball	Primary Head - Polehampton Infant
Ali Brown	Primary Head - Nine Mile Ride Primary
Elaine Stewart	Primary Head - Aldryngton Primary
Nicki Mott	School Business Manager – Shinfield Infants
Sylvia Allen	School Business Manager - Hawkedon Primary
Julia Mead	School Business Manager - St Sebastian's CE Primary
Carol Simpson	School Business Manager - Colleton Primary
Ginny Rhodes	Secondary Head - St Crispins
Derren Gray	Academy Headteacher - The Piggott School
Corrina Gillard	Headteacher - Emmbrook Infant School
Jay Blundell	Special School Headteacher - Foundry College
Ben Godber	Academy Headteacher - Bohunt
Keith McConaghy	School Business Manager - Oakbank
Paul Miller	Governor - St Crispins - Chairman
John Bayes	Governor - Foundry College - Vice-Chair

Non School Representatives

Anne Andrews	Oxford Diocese
UllaKarin Clark	Wokingham Borough Council
Mary Parker	Early Years Representative

Also Present

Jane Winterbone, Interim Head of Learning and Achievement
Luciane Bowker, Senior Democratic Services Officer
Coral Miller, Interim Schools Finance Manager
John Ogden, Finance Lead Specialist
Yusuf Shahib, Senior Finance Specialist

Councillor Mark Ashwell, Executive Member for Children's Services attended as an observer.

1 ELECTION OF CHAIRMAN

Paul Miller was appointed Chairman of the Schools Forum for the remainder of 2017/18 academic year.

2 ELECTION OF VICE-CHAIRMAN

John Bayes was appointed Vice-Chairman of Schools Forum for the remainder of 2017/18 academic year.

3 APOLOGIES

Apologies for absence were submitted from Sarah Attra, Kerrie Clifford, Ian Head, Jonathan Peck, Janet Perry, Brian Prebble, Gail Prewett and James Taylor.

4 MINUTES OF PREVIOUS MEETING

The Minutes of the meeting of the Committee held on 19 July 2017 were confirmed as a correct record and signed by the Chairman, subject to the following correction:

On page 12 where it says 'restrained budgets' this be changed to retained budgets.

Matters arising

Recoupment of Business Rates investigation – Paul Miller, Schools Forum Chairman and Coral Miller, Schools Finance Manager were currently investigating it, but had not found a resolution yet, so this item would be carried forward.

Secondary School Placement Strategy – Jane Winterbone, Interim Head of Learning and Achievement stated that the strategy would be circulated with the minutes of this meeting.

Starting time of Schools Forum meetings - John Bayes, Schools Forum Vice-Chairman pointed out that Schools Forum had agreed to a later start time of 10am. Paul Miller confirmed that future meetings would start at 10am.

5 DECLARATION OF INTEREST

There were no declarations of interest.

6 BUDGET RECONCILIATION

Paul Miller explained that at the last meeting it had been identified that the figures in the Budget report did not reconcile and Schools Forum had asked for clarifications. In response to this, several meetings had taken place to understand what had happened and reconcile the figures. Graham Ebers, Corporate Services Director had written an explanatory report as set out in Agenda pages 15-20.

Paul Miller stated that the Budget that Schools Forum had approved in January 2017 had contained figures that were not sufficiently robust and included mathematical errors. Subsequently, Officers had undertaken a lot of work and produced a revised Budget containing accurate information, this was shown in column F, page 19. Column F was the set of figures that Schools Forum should have been looking at when approving the Budget in January. Schools Forum were now being asked to decide whether to accept column F as the Budget for 2017/18. Paul stated that Schools Forum would also need to decide whether to accept an in-year deficit for 2017/18 and its impact upon the total reserves.

Coral Miller informed that Officers had looked at the figures line by line in order to ascertain the correct figures. She also informed that a workshop had taken place to go through this work in detail, she offered to stay after the meeting and explain it again if necessary.

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

- John Bayes questioned the figure on line 10 page 19 in relation to the £250K PE Grant – additional school grants and added that this issue had been raised at the last meeting by Derren Gray. Coral stated that any grant received from the DfE was passported to schools, she believed that it was not included in another line;
- Paul Miller stated that Schools Forum was seeking transparency and John Ogden, Lead Finance Specialist offered to investigate and report back;
- Derren Gray questioned the figure of £370K in line 17 page 19 in relation to Early Years centrally retained for statutory LA duties and the figures in line 16 in relation to Early Years contingency – providers only. He would like to know why contingency was needed. Jane Winterbone explained that in her experience the Early Years centrally retained fund was for statutory duties and the contingencies fund was held in case

additional numbers came in after census day in relation to lagged funding. She was not certain of how much claim there had been on that and whether this was being reported to Schools Forum;

- Mary Parker stated that this was the first time Early Years funding was being top sliced in Wokingham;
- Jane Winterbone stated that Wokingham benchmarked favourably in relation to its percentage top slice of Early Years funding;
- Coral Miller stated that the regulator allowed for 7%, but Wokingham top sliced 4% from Early Years. The contingencies went out to providers and this was because there were three census dates a year and every time there was a census there was an adjustment on pupil numbers;
- Mary Parker stated that she believed that the take up of the 30 hour free childcare would increase;
- John Ogden offered to include a breakdown of how the contingencies money to Early Years was being used in future monitoring reports;
- Ginny Rhodes asked for the narrative behind the variances in line 36 page 19 in relation to School Admissions. Coral stated that School Admissions was funded by centrally retained funds as it was one of the statutory services that the Local Authority had to provide. Paul Miller explained that the variances observed in the report were due to error in reporting;
- Jane Winterbone explained that School Admissions was now placed under Customer Services. Members of the Forum asked for more information in relation to the expenditure in School Admissions in preparation for the 2018/19 Budget, including benchmarking with other authorities;
- John Bayes believed that there was around £60 per pupil expenditure in relation to admissions to school.

Paul Miller thanked Officers for all their work to bring more clarity around the numbers. He felt confident that the current figures were now accurate.

Schools Forum had a robust discussion around the Budget that was agreed in January and the column F of the report containing revised figures. After much deliberation it was agreed that the Budget that was agreed in January should have the mathematical corrections made to it and continue to be referred to as the Budget for 2017/18.

RESOLVED That:

- 1) Finance Officers would undertake the various further clarifications that were requested during the discussion of the item and report back to Schools Forum;
- 2) The Budget that was approved in January would have its mathematical errors corrected and continue to be referred to as the approved Budget for 2017/18; and
- 3) The column F of the report would be called a Forecast and Schools Forum would refer to the Forecast for revenue monitoring purposes for the remainder of this financial year.

7 FINAL SETTLEMENT AND VARIANCE

Coral Miller went through the 2017/18 Final Settlement and Variance report which was set out in agenda pages 21-22.

Coral Miller stated that the DfE allocated the Dedicated Schools Grant (DSG) to the Local Authority in December in order for the schools to set their School Block Budget, however the HNB funding and the Early Years funding was indicative at this stage and it was finalised in the following July. Coral predicted that changes would occur as a result of academies conversions.

Coral Miller reported a reduction to the Early Years funding of £260K as a result of the January and March censuses, this would be covered through the contingencies fund.

John Bayes questioned a disparity in the numbers shown in page 20 and the appendix on page 26. Coral explained that if the Pupil Premium for 3-4 year olds were included the numbers would match.

RESOLVED That the report be noted.

8 REVENUE MONITORING

Coral Miller went through the Revenue Monitoring report which was set out in agenda pages 23-26.

Coral Miller explained that the report provided details of the revenue budget position as at 31 August 2017. The report showed the expected out-turn for the DSG in the financial year 2017/18, making the assumption that the centrally retained amount would be fully spent.

Coral Miller pointed out that that the de-delegated items funding came from maintained schools and therefore any underspend belonged to the maintained schools.

Coral Miller stated that the forecast showed an overspend of approximately £1.332m, most of which was attributable to an overspend in High Needs Block (HNB).

Coral Miller stated that the Local Authority was not allowed to have a deficit in the schools budget without Schools Forum agreement, the only exception was in relation to the HNB fund. The HNB deficit could be carried forward to the following year but she was not certain at this stage how this would be mitigated.

RESOLVED That the report be noted.

9 2018/19 GROWTH SPEND CRITERIA

Piers Brunning, Senior Specialist (People and Place) presented the 2018/19 Growth Spend Criteria report which was set out in agenda pages 27-34.

Piers Brunning explained that the report aimed to bring clarity and explain the rationale as to how new schools places were funded.

Piers Brunning stated that there were diseconomies of scale when new schools were set up, because of costs in relation to senior management, building and furniture for example, which had to be purchased before the school opened. Start-up funding, including additional revenue funding for setting up new classes and diseconomy funding was provided by the Local Authority responsible for promoting the school from the Growth Fund. Therefore, it was necessary to have a mechanism to deal with this diseconomy of scales.

Piers Brunning presented a proposal to move to a formulaic basis for funding of new schools. This was already being successfully delivered by the DfE in relation to funding new free schools.

Piers Brunning was also seeking the Forum's approval for the proposal for funding of additional places in mid phase schools. He reported a shortage of primary school places in certain areas of the Borough where there were very few surplus places. It was recognised that new classes may not be full on census day, so it was important to ensure schools had a system in place to fund these classes initially.

Piers Brunning explained that should new school places not fill up, the Local Authority would talk to the schools concerned and decide and reconsider the planned admission number.

Jane Winterbone explained that this proposal would be implemented for 2018/19.

In response to a question Coral Miller confirmed that next year's Growth Fund was being predicted to be around £900K. She stated that it was important to have a contingency fund as there could be anomalies.

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

- Derren Gray was interested to know more about:
 - post opening grants;
 - project development grants; and
 - if the national model was expected to run for a number of years
- Piers Brunning stated that this model was expected to continue in the future. He explained that this proposal applied to schools before they opened;
- Derren Gray noticed that a new free school would receive £220K from the government and only £90K if they applied to the Local Authority. Jane Winterbone explained that some schools were already committed to working with the Local Authority and they were happy with the arrangements;
- Derren Gray stated that his school, Charvil Piggott would have benefited financially if it had opened as a free school. He wished to bring the split site issue for discussion at Schools Forum.

RESOLVED That Schools Forum endorses the proposal to use Table A and Table B of the report as the framework for funding of new school places in the Borough.

10 HIGH NEEDS BLOCK

Jane Winterbone presented the High Needs Block (HNB) report which was set out on Agenda pages 35-38. The report provided an update on the projected spend in 2017/18 from the HNB.

Jane Winterbone drew attention to the appendix on page 25 of the Agenda and pointed to line 6 which showed a HNB over allocation of £1million, line 22 showed an unallocated increase in the HNB special school budget of £692K and line 23 showed fees for pupils at independent special schools and abroad at £658K overspend, she explained that it was necessary to offset those figures to understand the report.

Jane Winterbone explained that the DfE had produced some updated guidance for 2018 and one of the changes to funding of resource bases in mainstream schools was that from

2018 the place funding for resource bases would be reduced from £10K per child to £6K. This was addressing an issue in relation to some people counting their pupils in their resource spaces as pupils also on their roll. Some resource spaces were drawing out £10K place funding and the Age Weighted Pupil Unit (AWPU) and they were getting the top up for the resource space whereas other resource spaces were not. This occurred as a result of historical agreements when the resource spaces were set up.

Jane Winterbone reported that Jackie Wright, a SEND Consultant had been commissioned to complete a review of the resource bases, including funding. Jackie had met with all resource bases and mapped what we knew about the current cohort and trends within Wokingham. Jackie was drafting a report with clear recommendations which was due to be completed at the end of October, this report would be circulated to Schools Forum.

Jane Winterbone reported that Jackie had been looking at banding in resource spaces and she had suggested the possibility of banding on a wider scale. Jane informed that Schools Forum may be asked to consider a banding proposal at its next meeting.

Jane Winterbone emphasised that it had been of great value to employ a consultant to carry out this work, especially in view of the constraints in terms of capacity within the service.

Jane Winterbone stated that the Local Authority was currently working to clawback top up funding from other local neighbouring authorities which had been paid from Wokingham's HNB, for pupils in Northern House placed by neighbouring Local Authorities. This was because of a historical agreement with Northern House that would underwrite 69 places and the top ups. The normal practice was to clawback top up funding from the home Local Authority. Jane reported that work was underway to achieve the clawback from home authorities.

Jane Winterbone informed that there had been an issue with a report that had been submitted to the Exceptional Needs Funding (ENF) Steering Group around two documents that did not agree to each other accurately around spend. This had now been resolved and the issue had been found to be the fact that one of the reports contained the wrong date at the top.

Jane Winterbone stated that she had spoken to some of the Heads that took part in the ENF Steering Group and they had expressed a desire to review the purpose of the ENF pot as it was felt that it may have moved away from its original purpose and remit.

Jane Winterbone stated that the Early Years Intervention Fund which could be used to support children when they first went into mainstream settings from pre-school settings had not been historically used for the first two terms as it mostly was in other Local Authorities.

Jane stated that a full audit of Education and Health Care Plan (EHCP) was currently being undertaken, with a report due at the end of October. The report would include the comments on quality of the written reports and a judgement on whether Wokingham's thresholds were appropriate and whether the provision identified appropriately reflected the needs assessment. This was a very important piece of work as most of the HNB spend was related to EHCPs.

Jane Winterbone stated that the current overspend on the HNB reflected the previously un-profiled provision at The Oaks (200k) and a projected overspend on the Independent Special Schools budget.

Jane Winterbone informed that she was holding conversations with West Berkshire on the possibility of working together.

Jane Winterbone reported a shortage of local provision for primary school children. She was currently reviewing the cases of three children of primary school age for whom there were no spaces available in any of the local / regional special schools. There was also a difficulty in terms of parental expectation.

Jane Winterbone declared that the issues relating to HNB were unlikely to be solved before her contract ended in December.

In response to a question Jane stated that Northern House provided for children from Year 5 only. Members asked if there were plans for Northern House to extend their provision to primary school. Jane stated that there were ongoing conversations with Northern House, however they were an academy school.

In response to a question Jane Winterbone stated that the budget for Early Years intervention was around £108K underspent. Mary Parker, Early Years representative was surprised to hear this as she had been discouraged from applying as it was believed that there was no money available for early intervention.

Jane Winterbone stated that it was possible to top slice an amount from the Early Years Block, this had been done to fund the Early Years team. Jane had been reviewing the statutory duties against non-statutory services being currently provided and reported two vacancies in the Early Years team.

Jane Winterbone stated that the top slice from the Early Years Fund could be used for anything as long as Schools Forum agreed to it. Jane believed that SEND worked well when there was efficient early years identification, therefore it was important to have plans in place to support Early Years settings.

Ginny Rhodes asked about what plans were being put in place to secure continuity when Jane finished her contract. She also questioned the rationale for moving SEND under Social Care.

Jane confirmed that she was committed to completing this piece of work and the Learning Partnership work before she left. Regarding the move of SEND into Social Care, Jane suggested that any concerns should be raised during the consultation period. The proposal was for a 0-25 joint service between Social Care and Education. Jane agreed that she would confirm the date of this consultation and pass the information to Forum.

John Bayes noted that the numbers for support for inclusion had gone up by 20% and asked if this was something that could be controlled. Coral Miller, Schools Finance Manager stated that she expected that this would be spent.

John Bayes also questioned the increase in out of Borough top ups. Jane explained that this increase reflected the increase in EHCP's.

John Ogden, Lead Finance Specialist suggested to provide the Forum with information on the volume entrance so that it could be identified what the run rates were for 2016/17, how they compared to 2017/18 and what was expected for the rest of the year so that Forum could have a better understanding on the reasons for increases.

Paul Miller stated that a HNB Task and Finish Group was being organised to take a close look at HNB funding, he asked for volunteers to join the group. The findings of this group would be shared with Schools Forum.

RESOLVED That:

- 1) The Resource Bases Review report which was being written by Jacky Wright would be brought for consideration at the next meeting of Schools Forum;
- 2) Jane Winterbone would ensure that reports were sent to her to be checked before their publication;
- 3) Jane Winterbone would inform Schools Forum of the date of the consultation on the proposal to move SEND to a 0-25 Social Care and Education service;
- 4) Schools Forum would receive and review the Education Health Care Plan review report; and
- 5) Volunteers were being sought to take part in the High Needs Block Task and Finish Group.

11 CONSULTATION ON MOVING FUNDS

Coral Miller went through the report which was set out in agenda pages 39-41. The report was seeking approval from Schools Forum to the Council's proposal to move half a percent from the 2018/19 Schools Block Budget to the High Needs Block Budget.

Coral Miller explained that the DfE had made a number of changes to the School Block Budget, one of these changes was to ring fence the School Block Budget, imposing a restriction on transferring funds. There was a little bit of discretion in that the DfE allowed the Council to transfer a maximum of half percent to another block after consultation with all schools, including academies and approval from the Schools Forum.

Coral Miller informed that the half a percent equated to approximately £473K on the current minimum figures available.

Coral Miller stated that the consultation had taken place and there had been 17 responses out of 65 schools, the responses were listed in the report.

John Ogden stated that it was advisable to accept this proposal to alleviate the pressure on the High Needs Block.

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

- Corrina Gillard stated that most Headteachers were opposed to the funding of outside of the Borough independent schools places;
- Jane Winterbone pointed out that if the Local Authority did not meet a child's needs there was the risk of incurring tribunal costs;

- Jane Winterbone stated that there were cases where there were no spaces within reasonable distance in maintained schools. However, there was a lot of work being undertaken to look at the costs and try to find the best possible option;
- Jane Winterbone explained that some cases that involved very complex needs and were unlikely to change;
- Jane Winterbone stated that the service was looking at current placements and the possibility of commissioning places in Northern House, but it was necessary to balance the risk of tribunals;
- Derren Gray stated that the general view of Headteachers was against this proposal, it was felt that Schools Forum should have been consulted first. Coral Miller explained that the DfE required a consultation with schools to take place before the consultation with Schools Forum;
- In response to a question Coral Miller stated that Schools Forum could agree to a different percentage as long as it was within the half percent;
- Paul Miller asked if it was possible for Schools Forum to have an input into how this half percent would be used, in relation to spend to save. Jane Winterbone explained that it would be very difficult due to the complexities involved in the placements;
- Sylvia Allen was of the opinion that if HNB was allowed to carry forward a deficit, there was no reason to take the money away from the Schools Block Fund. Coral Miller stated that it was necessary to have a plan to mitigate the HNB deficit;
- Members felt anxious that if they agreed to half percent this year, this would set a precedent. Coral Miller believed that this was the right approach for 2018/19, after that the new funding formula would come in and it was likely that the figures would be different;
- Some Members felt that this money should not be taken away from all the other 20 thousand or so pupils in the Borough;
- Some Members felt that agreeing to this proposal would send the wrong message to the DfE, perhaps giving the impression that it was acceptable to have the budget cut by half percent.

Paul Miller explained that if Schools Forum decided against the proposal, the Council were likely to apply to the DfE and still be allowed to move the half percent from the School Block Budget without Schools Forum endorsement.

RESOLVED That Schools Forum would not agree to the proposal of moving half percent from the 2018/19 Schools Block Budget to the High Needs Block.

12 CONTINGENCIES BREAKDOWN

Coral Miller went through the report which was set out in agenda pages 43-44.

Coral Miller explained that the contingencies pot could be used for maintained schools in financial difficulties. Currently there was £129,510 in the contingencies fund and two claims were being assessed.

Coral Miller informed that one of the claims related to one school which had an unusual set of difficulties in staffing which they had been working with the Human Resources department for the last two years. This issue was becoming a serious drain in the financial resources of the school and start to affect its viability. A lump sum of £30K had been agreed for the school to restructure its resources until the current situation was being resolved.

Coral Miller stated that each and every case was looked at very closely.

RESOLVED That the report be noted.

13 2018/19 FORMULA CHANGES

Coral Miller presented the report which was set out in agenda pages 45-48. This report provided an analysis to the changes to the funding formula to the school block budget from 2017/18 to 2018/19. The DfE were still working on the guidance and more adjustments were expected at the end of November. The actual allocation was due out in December 2017.

Coral Miller explained that the actual allocation would differ as the DfE had made the assumption that all new and growing schools were full, which they were not. Therefore, it was likely that the estimate had more pupils than there currently were in Wokingham schools.

Coral Miller stated that the actual unit cost per child was the same for primary and secondary, however in the 2018/19 budget the DfE were proposing a Primary Unit of Funding (PUF) and Secondary Unit of Funding (SUF), this would provide the funding allocation in December which would be based on the October 2017 census. The actual figure had not been revealed yet.

Coral Miller stated that the actual funding would be given to Local Authorities to allocate according to their own local factors with the expectation that the Local Authority would move closer towards the National Funding Formula model.

Coral Miller stated that Wokingham should see some increase in its school block budget, this would be between 0.5% to 2.3% as currently published by the government.

Coral Miller explained that the Local Authority had the discretion to transfer 0.5% from the schools block to other DSG blocks, after consultation with schools and academies and Schools Forum approval.

Coral Miller stated that the Minimum Funding Guarantee (MFG) could now be flexible from 0 to -1.5% reduction. This was not new money and would be funded if the Council moved -1.5% from other schools in the schools block. The Local Authority was working with a Task and Finish Group to establish a fair funding model for Wokingham in the two soft years.

Coral Miller explained that in Wokingham there were similar schools with different unit costs, and this was for historical reasons.

Derren Gray reported that the Task and Finish group had been looking at the options for Wokingham. He highlighted the following points:

- The lump sum was £175K in the National Funding Formula it would be £110K; therefore this year we were bounded by a reduction of £20-25K, so work was being based on £150K for 2018/19;
- The primary ratio in the NFF would be 1 to 1.29, currently this was 1 to 1.27, so there was work towards setting it at 1 to 1.28 for 2018/19;
- The new NFF proposed a 3% capping;
- The MFG could be -1.5%, so work was being undertaken to test different models at -1.5%, -1% and -0.5%. the options would be presented to Forum in January.

In response to a question Coral Miller stated that a consultation was required by the government and she proposed to carry out a short consultation.

Jane Winterbone stated that Derren Gray had informed Headteachers about the New Funding Formula at a meeting last week, also she had already informed Governors at a briefing session.

RESOLVED That a short consultation would be carried out.

14 TASK AND FINISH GROUPS UPDATE

This item was discussed during the debate of item 14.

15 FORWARD PROGRAMME

The Forum considered and noted the Forward Programme of work and dates of future meetings as set out on Agenda page 49.

It was noted that the meeting in January 2018 was moved to a week earlier in order to allow sufficient time for discussions about the budget before its submission at the end of January.

It was agreed to include 'Split Site Funding' to the next meeting on 13 December.

Bohunt School offered to host the next two meetings.

16 ANY OTHER BUSINESS

Traded services charges

Carol Simpson raised a concern that traded services charges had changed mid-year. Coral Miller explained that the issue was that some schools had decided not to buy the services but still wanted to receive the services. Coral explained that the charges had not changed, but now there was more clarity as to what the charges for services were and the consequences of not buying into the services.

John Ogden indicated that he would take the opportunity to reconsider the introduction of these charges.

Additional charges for conversion to academies

Jane Winterbone explained that her predecessor, Alan Sttubersfield had written to schools explaining that there would be a conversion charge to schools. One school that was converting challenged this with the DfE, so the Local Authority was unable to send out the invoices until this was clarified with the DfE. The DfE had stated late July that they regretted that the Local Authority was having to charge but they understood that this was necessary because Wokingham was a small Local Authority. Jane stated that the charge reflected the significant amount of work that was involved in the conversion process. She informed that a member of staff had to be employed to ensure that the process was carried out in a timely manner.

Jane Winterbone stated that if schools had been more flexible in their conversion dates it may have been possible to absorb the workload within current staff levels and reconsider the charge. However, schools had agreed dates with the DfE and in order to meet the

deadlines the Local Authority had had to buy additional support and therefore she believed the charge was justified.

Ginny Rhodes stated that she was not aware that the conversion date made a difference to the charge, and that she would have been willing to move the conversion date if she had been made aware of a reduction in cost.

Ginny Rhodes stated that some schools had undergone the conversion process and not been charged, therefore it felt harsh to charge schools undergoing the same process now. However, she understood that the Local Authority was having to respond to the demand.

Composition and Constitution of Schools Forum

In view of the fact that many schools had converted to academies it was agreed to carry out a review of membership at the February meeting.