

**MINUTES OF A MEETING OF THE
SCHOOLS FORUM
HELD ON THURSDAY 22 JANUARY 2015 FROM 12.00 TO 3.00PM
RECONVENED FROM 14 JANUARY 2015**

Present:- .

WBC Member: *Ian Pittock*

Schools Members:

Primary Headteachers: *Brian Prebble, Ali Brown, Nicci Morris (deputising for Elaine Stewart)*

(only four votes allowed)

Secondary Headteachers: *Ann Keane-Mayer, Ginny Rhodes, Nigel Matthias, Emmbrook School and Chairman Secondary Heads Federation (none voting)*

Special Schools: – *Liz Meek, (only one vote allowed)*

Pupil Referral Unit:– *Mary Rome*

Maintained Nursery Headteacher:

Governors: *John Bayes (Chairman), Nick Dyer (Vice Chairman), Mike Hutchinson*

Academies Members: *Derren Grey, Janet Perry*

WBC Children's Services: *Matt Marsden*

Oxford Diocese:

Roman Catholic Diocese:

Early Years Forum: *Charlotte Wilkinson, (only one vote allowed)*

Observers:

Also present:-

Donna Munday, Schools Finance Manager

Tricia Harcourt, Senior Democratic Services Officer

Alan Stubbersfield, Interim Head of Learning and Achievement, Children's Services

Judith Ramsden, Director, Children's Services (for the beginning of the meeting)

This meeting was a reconvened meeting following the adjournment of the 14 January 2015 meeting.

27. DRAFT 2015/16 SCHOOLS BUDGET

During the discussion at the adjourned meeting, it was pointed out that an estimated £1.3m savings would need to be made in the Schools Budget, over the next two years to help support the 2016/17 budget. It was suggested that to ease transition this deficit could be made over 2 years, so a reduction in the Schools Block spend of £600,000 in the 2015/16 budget has been proposed.

Budget information had been circulated by email to Forum Members comprising:

- Draft 2015/16 Budget assuming the deficit is reduced by the proposed £600,000, including the deficit that needs to be recovered in 2016/17. The MFG protects and thereby constricts the amounts that can be recovered in year.
- Four possible options for achieving the required saving - each option shows the overall impact upon the Schools Block and how that might look to different kinds of typical schools.
- High level 3 year summary demonstrating the bottom line over the medium term and how this will effectively deal with the deficit
- Central Expenditure Options report shows opportunities that are currently being investigated to reduce central spend to make a contribution to the deficit.

Donna Munday reported that, WBC has strategy planning sessions booked to investigate options of how best to reduce this deficit over the medium term; as going forward new schools will be built. An Alternative Provision review is being carried out with intention of reducing Out of Borough placements. As the deficit is in the Schools Block at this stage recovering the funds from the schools block only, is being looking in to. Therefore at this stage no proposals have been made to impact Early Years or High Needs Block. This position may be subject to change.

During the discussion on the proposals put forward, and in light of a question as to why there is now mention of such a large deficit which has come 'out of the blue', the following points and responses were made:

- Recently, the DfE funding reforms led to different models of funding and we had been trying to manage the transition to protect schools from the impact of the changes.
- There has been a slow growth of primary pupil numbers, some schools have had to expand. The three new primary schools took £600k out of the DSG, and the growth fund is there to support them as they grow, as well as other schools as they expand.
- The figures in the S251 statement for 2013/14 do not seem to match those in the reported budget.
- The S251 statement is not a direct match with the budget figures because it combines Children's Services and schools' costings, and because it has to be submitted before the final allocations are known, it is based on best estimates to give a balanced budget, so does not accurately reflect the final budget spend.
- The first column in the circulated budget gives the S251 lines, but some of the spend in the S251 report includes other Children's Services spend not just the DSG.
- The predicted overspend in 2014/15 is about £607k, which is covered by the carry forward from 2013/14.
- The schools budget allocations have increased because of the increase in pupil numbers, and the inclusion of actual numbers in the free schools.
- When pupil numbers in existing schools increase, there is a lag in funding, of 7 months because the increase is only funded in the next financial year, following the January census.
- A simpler format for the budget that would allow more understanding of the allocations and spending would be useful.
- Agree that the Forum did not have enough notice of this deficit situation at the end of 2015/16, and the requirement to make savings, which should not be repeated.
- The predicted overspend at the end of 2014/15 could increase if there is an additional SEN pupil needing an expensive placement.

- The Moderation Panel has only spent £75k this year with a budget of £250k does this mean it is not working properly – a review of the process was requested some months ago to establish how funds are accessed and used;
- Many Forum members feel that the Moderation Panel is working, though it is difficult to access funds; a review will be done and the estimate for 2015/16 has been set at £200k.
- Can the £200k be afforded? SEN funding is demand led and has to be funded. However there is not a bottomless pit.
- Looking at the £100k allocated in the School Specific Contingency for schools in financial difficulty, has any been spent this year?
- Only maintained schools contribute to that contingency and it can only be allocated for use by maintained schools. Currently £87k has not been spent.
- Academies would find it useful to have clarity around which lines they have been had allocations from.
- Details are in the Funding Agreements.
- The consultation on the new formula carried out in 2013/14 included several meetings for schools to explain the proposals, and individual visits to governing body meetings; giving schools ample opportunity to find out the details. The response to the consultation was the highest in the SE.
- The de-delegations were agreed at the Forum by both Primary and Secondary representatives.
- A national funding formula is being introduced and now we can only have minor discretions to make changes – we are constrained by the Regulations.
- Schools will still be protected by the Minimum Funding Guarantee (MFG).
- It is possible to move amounts between the Schools Block and the High Needs Block or the Early Years Block, ie a surplus in the High Needs Block would counter balance a deficit in the Schools Block.
- Suggest limiting the Moderation Panel amount in 2014/15 to £125, which would give a saving of £75k.
- When the 2013/14 budget was set there was a surplus, but now the situation is different; has what other authorities are doing in similar situations been looked at?
- Benchmarking will be carried out but it is difficult to find a like for like authority.
- The £100k in the School Specific Contingency for schools in financial difficulty had not been used in 2013/14, so could be taken out.
- Concerned about vulnerable small primaries if contingency is removed.
- Is it time to rethink the de-delegations?
- Schools get 3 years to come out of a deficit budget situation, and there would be a mechanism to create a growth fund to support them; the MFG will afford some protection.
- Only maintained schools are allowed to have a licensed deficit budget.
- If all the de-delegations go back to schools there might not be enough for some schools to buy back as a traded service to meet their needs - eg Primary Behaviour Support.
- The amount in line 1.2.4 – Fees for pupils at independent special schools - has been reduced by £350k to reflect the reduction in the number of out of Borough placements, however there is an increase of £546k for the new requirement to fund 19 to 25 year olds. The assumption has been made that there are 91 pupils in that category.
- If schools' budgets are cut there could be a potential for redundancies which would impact on the quality of provision.

- Schools do need to know the proposed level of the AWPU for 2015/16 so that they can plan ahead.
- Could the allocation in line 1.4.1- Support to under-performing ethnic minority groups and bilingual learners be reduced – be reduced; is there any evidence of the support having an impact? If it were delegated again it would help to maintain the level of the AWPU.
- If the allocation in line 1.4.1 was top-sliced and divided among the total number of schools it would mean the secondaries would suffer, if it was put back into the ‘pot’ and allocated by pupil numbers, that would be more even.
- The de-delegated amounts are really ‘luxury items’; could we look at cutting them.
- As they relate to centrally provided services, any cut requiring central staffing cuts would not be able to be implemented for 1 April 2015. It might be possible for later in the year.
- Do other authorities apply the maximum Lump Sum of £175k?
- It seems there is an inclination to protect the level of the AWPU.
- There needs to be more information on each budget line, so that a review can be made of options to make savings.
- 2015/16 schools budget is driven by the new schools; we don’t have figures to show the impact on the growth of DSG funds, as these schools are operating not at full capacity. There are on-going discussions to try and formulate a 5 year plan. There should be more clarity for the March meeting of the Forum.
- There has long been a consensus within the Forum of working together to support small primaries because they feed into what happens at secondary level. Concern was expressed that it seems that some secondaries are now pulling away from this to look after ‘number 1’.
- Generally secondaries understand that primaries and early years are the engine for what they do.

It was suggested that a decision should be made on the Options for making savings which can be included in the Proforma. Once the amounts have been submitted in the Proforma changes cannot be made.

However, Officers indicated that in-year savings could be identified and the forecast outturn position changed at the end of 2015/16 which would be used to support the 2016/17 budget. There will be a programme of work to review each line and report back to Forum, on savings that could be made to minimise the reduction in the AWPU.

Comment was made that the review of the functioning of the Moderation Panel, although promised several months ago, was still outstanding.

It was suggested that Option 1 – taking £600k from the AWPU, but leaving both Lump Sums at £175k, would spread the reductions evenly as it relates to pupil numbers, but that reductions should be made in the budget by reducing the allocation to the Moderation Panels in line 1.2.1 to £150k; and the allocation of £100k in line 1.1.2 for Schools in Financial Difficulty should be removed, with the savings included in the AWPU. Also that in-year savings should be identified to minimise the reduction in AWPU.

Apart from one secondary head all voting Forum Members present agreed which Option to pursue, and it was

RESOLVED: that the 2015/16 Schools Budget should be based on Option 1 which is to take £600k from the AWPU, but leave both Lump Sums at £175k, as set out in the 4th draft Schools Budget circulated to members, with additional changes of reducing line 1.2.1

Moderation Panels from £200k to £150k, and removing the £100k allocation in line 1.1.2 School Specific Contingencies for Schools in Financial Difficulties, and distributing them through the AWPU.

There were no votes in favour of any of the other options.

28. APPROVAL OF CARRY FORWARDS

In light of the decisions made in relation to the proposed 2015/16 Schools Budget, it was

RESOLVED: that the carry forwards proposed in the draft 2015/16 budget be agreed..

29. FINAL PROFORMA SUBMISSION

In light of the decisions made in relation to the proposed 2015/16 Schools Budget, it was

RESOLVED: That the Proforma as submitted to the December meeting be approved, subject to the amendments agreed above.

30. DATES OF FUTURE MEETINGS AND FORWARD PROGRAMME.

The dates of future planned meetings and work programme were noted:

18 March, 20 May, 15 July, 23 September, 21 October and 16 December 2015

20 January, 16 March, 18 May 2016.

Meetings start at 9.00/9.15am except 20 May meeting which will start at 1.00pm.

These are the Minutes of a meeting of the Schools Forum

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