

Minutes of a meeting of the Leicestershire Schools' Forum held at Beaumanor Hall on Tuesday 21 June 2016 at 2.00 pm

Present

Nick Goforth	Secondary Academies Headteacher
Callum Orr	Secondary Academies Headteacher
Sonia Singleton	Secondary Academies Headteacher
Suzanne Uprichard	Secondary Academies Governor / PRU
Steve McDonald	Secondary Academies Governor
David Hedley	Secondary Academies Governor
Bill Nash	Secondary Maintained Governor
Jane McKay	Primary Academy Headteacher
Stephen Cotton	Primary Academy Headteacher
Jean Lewis	Primary Academy Governor
David Thomas	Primary Academy Governor
Heather Sewell	Primary Maintained Headteacher
Karen Allen	Primary Maintained Headteacher
Jason Brooks	Special Maintained Headteacher
Chris Davies	Roman Catholic Representative
Ian Sharpe	Church of England Representative
Catherine Drury	Early Years Provider
Graham Bett	JCC Representative (for Alison Deacon)

In attendance

Lesley Hagger, Director, Children and Family Services
 Jenny Lawrence, Finance Business Partner, Corporate Resources
 Ivan Ould, Lead Member, Children and Family Services
 Paul Meredith, Interim Assistant Director, Children's Social Care
 Chris Connearn, Head of Strategy, Achievement of Vulnerable Learners
 David Atterbury, Head of Strategy, Education Sufficiency

		Action
1.	Apologies for absence/Substitutions Apologies for absence were received from Richard Spurr, Jo Blackburn, Mark Mitchley, Kath Kelly, Michael Wilson, Alison Deacon and Tony Gelsthorpe.	
2.	Minutes and Matters Arising	

	<p>The minutes of the meeting held on Monday 22 February 2016 were agreed.</p> <p>Matters Arising</p> <p>The representation of Secondary Academy Headteachers was raised and it was agreed this would be discussed separately.</p> <p>Steve McDonald made a comment specifically relating to the perceived use of LA basic need capital funding in supporting age range change across the county in 2015/16, in particular how much had been allocated, to whom and for what purpose. Jenny Lawrence referred Steve McDonald to the information provided to Cabinet which sets out the capital programme and that £1.5m had been spent on year 6 retention in primary schools.</p> <p>LH confirmed that capital had only been used to enable removal of the 10+ system i.e. retention of Y6 in primary schools in areas where secondary age range was progressing for example in Wigston.</p> <p>Callum Orr queried the LA policy and vision and statements regarding reorganising secondary schools. David Atterbury confirmed that the strategy for the planning of school places does not identify the development of all through schools as a priority but states that the LA will seek to support this where there is evidence of basic need growth in the particular area.</p>	<p>JL</p>
<p>3.</p>	<p>2015/16 Schools Budget Outturn</p> <p>Jenny Lawrence introduced her report to the meeting which sets out the outturn position and confirms the Dedicated Schools Grant (DSG) Reserve and its intended use.</p> <p>Jenny said that overall the schools budget was overspent and referred to paragraph 6 which sets out the significant variances. Jenny highlighted the high needs block variance which included SEN and the changes in terms of the grant settlement which were the significant areas. The balances for maintained schools were unavailable as the local authority was currently in the progress of collecting financial information. However, initial data suggests the balances may have increased.</p> <p>Paragraph 9 sets out the updated position on the DSG reserve which was presented to Schools' Forum on 22 February 2016. This has slightly increased in order to meet the deficit for maintained schools becoming academies. Fossebrook Primary School opens in September which is an expected new school growth.</p> <p>Jenny referred to the proposed allocation of the reserve set out in paragraph 10 but added with the impact of the Government policy for 2017/18 there is a range of areas that will have an effect over the next few years. These are outlined in paragraph 12.</p>	

	<p>Jenny said that 2015/16 was the first year that the DSG has overspent since its introduction in 2006. The DSG reserve will continue to be monitored and the local authority's position is that there are no additional resources with which to provide financial support.</p> <p>A Forum member commented that paragraph 11 is a crucial paragraph and asked if it was a policy decision from the County Council. Jenny said that it was the local authority. Mr Ould commented that it is the policy as part of the MTFS. Prior to DSG the County Council topped up the government grant but when DSG came in that additional funding was absorbed into the grant.</p> <p>Sonia Singleton asked if that was discussed annually at Cabinet. Mr Ould said it was included in the MTFS process and that the local authority was required to find £20M savings before 2020.</p> <p>Schools' Forum noted that the table in paragraph 10 regarding new school growth should read "No provisionschool funding reform it is expected that local authorities".</p> <p>Schools' Forum noted the financial outturn for the 2015/16 Schools Budget (paragraphs 5-6).</p> <p>Schools' Forum noted the level of DSG reserve and its deployment (paragraphs 9.10).</p>	
<p>4.</p>	<p>School Funding Issues</p> <p>Jenny Lawrence introduced her report to the meeting which aims to clarify for schools and Schools' Forum the process behind three aspects of schools funding which are the subject of much debate but often based on partial or incorrect information namely;</p> <ul style="list-style-type: none"> • The allocation of the additional £20.5M school funding • Funding age range changes • The 1% AWPU reduction in 2016/17 <p>Jenny reported that this paper contains no new information to reports presented at different times to Schools' Forum where it had been discussed widely.</p> <p>Jenny stated that firstly the local authority must treat all schools equally; there is no differential between academies and maintained schools. The local authority may treat primary and secondary schools differently usually within the funding rates. Current decisions on schools funding affect maintained schools, academies and the two studio schools but not special schools. It was also worth noting that School Funding Formula is the basis for allocating a fixed pot of funding and that governing bodies determine how the funding is spent.</p> <p><u>Allocation of Additional £20.5M in 2015/16</u></p> <p>Jenny stated that paragraph 11 states how the allocation methodology was determined. Paragraph 12 sets out how the recommendations were made which schools were widely consulted on. The working group representation was 56% secondary and 36% primary.</p>	

<p>Paragraph 13 sets out how it was delivered and paragraph 14 sets out the consultation on the proposals.</p> <p>Nick Gorforth asked why the 2.75% AWPU increase was rejected. Jenny commented it was not supported by Schools' Forum following a very vigorous discussion.</p> <p><u>Funding age range changes</u> Jenny referred to paragraph 16 which confirms that that the local authority has consistently stated that it has no revenue or capital for age range changes. The first group of academies undertaking age range changes did so with the knowledge of the 1 year lag in funding which then resulted in the EFA requiring local authorities to fund such changes by pupil number variations or face the EFA removing the money they thought necessary to fund age range changes from DSG. The local authority worked with schools and the EFA to establish a system whereby expanding schools being funded for estimated September pupils and protection of 80% for falls in pupil numbers in the first year of change, funded from headroom in the overall DSG settlement. Jenny emphasised that no school has ever been or ever will be funded for 100% of its number on roll and this was still the position.</p> <p>Steve McDonald asked what the method of calculation was for age range changes and when was it shared with secondary schools. Jenny said that it was agreed by Cabinet and the method of calculation was the October 2013 scheme formulated with schools. Steve McDonald commented that there was no indication of the method when the first schools went through age range changes. Jenny reinforced that the local authority did not provide this scheme for the first year of age range change but had to respond to changes in the operation guidance issued by the EFA in year two of change. The scheme was discussed many times and whilst the local authority had a responsibility to inform schools then those schools also had a responsibility to clarify the financial position prior to submitting business cases.</p> <p>Karen Allen stated that the age range change was discussed at the September 2015 Schools' Forum. If a school was making a change they should be expected to find the information on how this would affect school change. The funding formula does exist and was part of the process.</p> <p>Sonia Singleton commented that not all schools agreed with the age range protection policy or fully understood its implications and at that time proper consideration had not been given by schools in their business planning.</p> <p><u>The 1% AWPU reduction in 2016/17</u> Jenny referred to paragraph 21 which outlines the current system of needs led top-up funding for high needs which was introduced in 2013/14 and since April 2013 the cost of top up funding has increased by 32%.</p>	PM/JL
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	<p>Jenny stated that the high needs costs issue was being contained and the funding gap was closed through allocation of headroom, savings set for SEN services and reduced AWPU. For 2015/16 the overspend had been met from reserves.</p> <p>David Thomas commented that paragraphs 23 to 26 indicated considerable uncertainties. Jenny said that there were lots of uncertainties some of which she outlined to the meeting.</p> <p>The meeting discussed getting better value from placements and more effective commissioning. Paul Meredith said that there was a similar issue in social care which is now being managed. Paul said that he would present some ideas at the September meeting.</p> <p>Graham Bett set out his view that schools were now being made to pay for past inactions of the local authority to control expenditure and that that schools do not have a shared responsibility for the overspend</p> <p>Schools' Forum noted the local authority position and process for determining the approach to;</p> <ul style="list-style-type: none"> • The allocation of the additional £20.5M school funding in 2015/16 • Funding age range changes • The 1% AWPU reduction in 2016/17 	
5.	<p>School Funding Update</p> <p>Jenny Lawrence introduced the report which sets out the outcome of the financial survey undertaken with primary schools and academies, sets out the current situation for funding age range changes and provides an update on 2017/18 school funding.</p> <p>Jenny commented that the survey was summarised in paragraphs 12-16 which has been discussed many times. The survey was slightly out of line with school balances and Jenny said that work was being carried out on this.</p> <p>The local authority met with a group of secondary schools. There was a consistent view that the current scheme should not be changed but that the term estimate should be redefined and pupil growth removed from the adjustment.</p> <p>Jenny commented that a concern has been raised with the EFA on the impact of school funding reform and retaining the funding in the formula used for protection for schools with falling rolls as a result of age range changes, as a local authority we do not get additional funding and therefore might lose £2.5M.</p> <p>Sonia Singleton asked if the Schools' Forum could make the EFA aware of their concerns regarding the announcement of the national funding formula. Jenny agreed to assist Sonia with some words to send to the EFA.</p> <p>Schools' Forum noted the contents of the report.</p>	

	<p>Schools' Forum noted and voted to agree with the local authority's preferred option for the 2017/18 school funding formula (paragraph 8) subject to the expected phase 2 consultation on school funding 2017/18.</p>	
<p>6.</p>	<p>High Needs Funding</p> <p>Jenny Lawrence introduced the report which sets out the position in respect of high needs expenditure and actions that are being taken to address increasing costs.</p> <p>David Thomas referred to paragraph 10 and commented that there was a high level of underspend in 2013/14, 2014/15 and then 2015/16 took two elements of an impact. He added that there was a need to change funding from the schools' block.</p> <p>Schools' Forum commented that headteachers should be included in paragraph 18.</p> <p>David Thomas referred to paragraph 20 and asked if as well as a notional SEN budget had there ever been a survey carried out on schools with special needs. Jenny commented that there used to be an exercise where SENA used to collect information from schools on spend.</p> <p>Chris Connearn commented that a group of officers and headteachers met to look at a database in order that schools could benchmark themselves against other schools in mainstream schools.</p> <p>David Atterbury commented that place planning was a less expensive provision out of county but also not said is the free schools agenda. Work was currently underway to reduce revenue expenses.</p> <p>Karen Allen commented that she completely understood that a lot of services that were traditionally not traded needed to become traded but did have a concern with this whole new way of thinking. Schools have an option to buy in or not but we need to be mindful that we have some working together to do.</p> <p>Schools' Forum noted the report.</p>	
<p>7.</p>	<p>Charging for VI and HI Services</p> <p>Chris Connearn introduced the report which sets out the implementation of charging for hearing and vision support services to schools.</p> <p>Schools' Forum referred to paragraph 12 and asked if British Sign Language would be included in the 'core offer'. Chris confirmed that it would.</p> <p>Sonia asked if a hearing impaired unit would be additionally charged from the hearing support service. Chris confirmed they would not</p>	

	<p>because they have children on roll at the school.</p> <p>Schools' Forum noted the intention to charge schools for some hearing and vision support services from September 2016.</p>	
8.	<p>Change of Date for September meeting</p> <p>The Schools' Forum noted and agreed the change of the next meeting date to Monday 19 September 2016, 2.00 pm at Beaumanor Hall.</p>	
9.	<p>Any Other Business</p> <p>Support to Schools Steve McDonald asked about support to schools who receive financial notice to improve their financial management. Jenny said that the local authority had no statutory role in that process. The local authority has facilitated a meeting between the Regional Schools Commissioner and the EFA where the financial position of secondary schools was discussed.</p> <p>Callum Orr asked about support for academies as maintained schools would receive support. Jenny said that deficit recovery was not funded from the DSG as it was set against school surpluses. Conversations had taken place with the EFA that academies should have that same option. As a maintained school the local authority would see you through a phased plan. Jenny said that these issues are constantly being raised with the EFA.</p> <p>David Hedley commented that the answer is given to form a MAT but that was not a solution.</p>	
10.	<p>Date of Next Meeting</p> <p>Monday 19 September, 2.00 – 4.00 pm at Beaumanor Hall.</p> <p>Future dates: Monday 5 December 2016 Thursday 9 February 2017 Monday 12 June 2017 All dates from 2.00 – 4.00 pm at Beaumanor Hall.</p>	