

MINUTES of the meeting of Herefordshire Schools Forum held at Arts & Craft Room, Courtyard Centre for the Arts, Edgar Street, Hereford. on Wednesday, 6th June, 2007 at 9.30 a.m.

Present:	Julie Powell (Chairman)
Church Members	(none)
Parent Governor Members	(none)
Primary School Representatives	Ms C Garlick, Ms T Kneale, R Thomas, P Whitcombe and G Williams
Secondary School Representatives	J Docherty, N Griffiths, Ms S Woodrow and D Williams
PRU School Representative	(none)
Special School Representatives	Ms S Bailey

In attendance: Councillors J A Hyde (Cabinet Member – Children’s Services), Ms S Tulk (Learning Skills Council) and Ms L Abbots (Early Years Development Childcare Partnership)

1. ELECTION OF CHAIRMAN

Mrs JS Powell was nominated and seconded for the Chair.

RESOLVED: That Mrs JS Powell be appointed as Chairman of Herefordshire Schools Forum for the ensuing year.

Mrs JS Powell in the Chair.

2. APOLOGIES FOR ABSENCE

Apologies were received from Mr T Edwards, Ms R Hatherill, Mr A Marson, Mr P Whitcombe and Mrs C Woolley.

3. NAMED SUBSTITUTES (IF ANY)

Ms L Abbots substituted for Ms R Hatherill.

4. DECLARATIONS OF INTEREST

There were no declarations of interest.

5. MINUTES

In relation to minute number 38 'Proposal to increase the funding of the lowest funded Herefordshire Primary Schools' it was agreed to amend the minutes to include a request for a financial breakdown showing the variability of funding provided to Secondary Schools.

In response to another query on minute number 38 the Finance Manager clarified that the criteria for allocating the money saved from the freezing of small school protection would only be reallocated to those schools with no revenue balances carried forward from the previous year; who could show all possible redundancies had been made; the Headteacher and Chair of Governors would be required to certify that there were no further savings to be made which would be independently confirmed by the School's contact Inspector before a final decision was taken by the Children's Services Management Team. It was noted that any transfers from revenue to capital balances would be noted but it was unlikely this would influence the final decision.

The Director for Children's Services stated that she was not happy with the idea of a contingency fund. She felt that all schools should be capable of managing their own budgets effectively.

RESOLVED: That the minutes, as amended, of the meeting held on 22nd February 2007 be approved as a correct record and signed by the Chairman.

6. LATE ITEMS/ANY OTHER BUSINESS

It was proposed and agreed that the Forum should reconsider its Constitution at its next meeting. It was requested that proposals for the provision for a Vice-Chairman and increased representation of secondary schools be included in the revision. It was the intention of the proposal that primary schools and secondary schools have an equal number of seats.

The Democratic Services Officer advised that the Forum was limited to a maximum of twenty members so an increase in the secondary school group may have knock on effects to the remaining School groups on the Forum.

7. SCHOOLS BROADBAND SERVICES 2007

The Forum considered the allocation of the Standard Funds ICT budget to the schools broadband services.

The ICT Projects Manager explained that the figures attached at Appendix 1 to the report were to provide services to every school in the County bar one. He added that an amendment was required in the final column of the Appendix marked '*Contingency*' as the figure set aside for this was in fact £276,745 rather than £176,745 as stated in the published report.

He explained that the proposals put forward would provide broadband access to all schools for £420,000 compared to at least £700,000 for just the 14 High Schools in the County to have their own internet service providers. This was a good example of how the Council could help save schools resources. This included safety features such as anti-virus and spam protection.

The key to the whole issue was remote access of schools networks by teachers and pupils. Remote access presented a significant security risk as a high degree of

security would be required to prevent hackers gaining access to school records. In order to allow schools to set their own levels of security it was necessary to decouple the schools network from the council's corporate network.

The current schools network equipment was coming to end of its life span and needed replacement. The proposed new network would also be relocated to the Thorn and Plough Lane Offices from the Townhall basement to provide additional resilience.

The providers for the required Virtual Learning Environments (VLE) were currently being referenced. To assist this process two seconded teachers, one from primary and one from the secondary sector were being sought.

Finally, a contingency of £276,745 was proposed. This was to cover a few outstanding invoices and to enable the project to continue should any unforeseen circumstances arise. Any underspends would be reinvested. The Head of Commissioning and Improvement confirmed that any such proposals would be made to Schools Forum.

The ICT Projects Manager finished by explaining that the proposal provided a first class broadband service to high schools and met the needs of primary schools. It was also affordable. The only regret was that this situation had not been reached earlier.

The following are the principal points from the ensuing discussion:

- A member was wary of secondments as it often meant a school losing a good teacher in the short term. It was clarified that teachers on the redundancy list would be eligible to apply for the secondments.
- There was no need to separate the school network from the VLE as greater security was now available at the cost of £1000 per school. This was a one off charge to all schools.
- Primary Schools would be a part of the VLE during the autumn term.
- Remote access could mean that schools networks were open to the entire world And so high levels of security were required to prevent inadvertent hosting of inappropriate material.
- It was confirmed that £77,000 was being spent on providing one senior ICT engineer to handle the project. This included all additional fees including on-costs and recruitment fees.
- £45,000 'on hands support for schools' was coming from the central budget for one year only. Funding for future years was uncertain.
- Special schools and pupil referral units were included with the primary and secondary schools.
- In terms of sustainability engineering and licensing costs would be ongoing annual requirements. The new hardware was expected to last 3-5 years and was a one off payment this year. Future costs could not be guaranteed but schools were better off collectively than individually.
- It was noted that 41% of the standards fund was match funding provided by Herefordshire Council.

A breakdown of how the money set aside for contingency is spent to be provided at the end of the project.

RESOLVED:

That the Forum approves the use of the Standards Fund grant to purchase:

(a) the Schools Broadband Service at £864,500;

(b) the Managed Learning Platform at £467,000;

(c) the SIMS Migration Pilot at £100,000;

(d) a contingency fund of £276,745;

and;

(e) at the end of the project a breakdown of how the contingency fund was spent be provided.

8. HEREFORDSHIRE PARTNERSHIP AND THE LOCAL AREA AGREEMENT

The Forum was informed about the Herefordshire Community Strategy, the Herefordshire Partnership and the Local Area Agreement (LAA) and the opportunities and implications these had for schools.

The Herefordshire Partnership Manager explained that the Herefordshire Community Strategy (HCS), of which a summary version was handed out at the meeting, had been launched in June 2006. The HCS set out a vision for Herefordshire to be achieved by 2020. To this end four themes had been devised with a range of outcomes set. The themes set out in the HCS were used as the basis for funding applications. Children and Young People was one of the themes of the HCS. The HCS was also the basis for Herefordshire Council's corporate plan.

The Herefordshire Partnership itself was a group of public, private sector, community and voluntary organisations. The Partnership consists of a Board which leads on policy development. There is also a Chief Executives Group which turns the policy into action through their respective organisations. Finally there is a Performance Monitoring Group which monitors performance against key performance indicators and recommended actions.

The LAA is a formal agreement between National Government and Local Authorities. The LAA identifies priorities for action from HCS and is the main way in which it will be delivered. All local organisations and sectors that work together have joint responsibility for achieving the LAA. Herefordshire Partnership is responsible for developing, monitoring and reporting progress on the LAA.

The Principal Partnership Officer explained that the LAA currently contained 124 targets which were measured by the government. The new government white paper 'Strong and Prosperous Communities' had signalled the intention to work this number down to 35 targets plus 18 targets from the DfES.

The targets needed to be agreed between the Partnership and its partners.

The reduction in targets was combined with reduced monitoring and ring fencing of individual funding streams. In future funding will be received in one block rather than individual pots. This will allow more freedom and flexibility in how the funding is used.

It was reiterated to the Forum that the government wanted to see positive outcomes achieved as a result of LAA funding being spent. There were some difficulties with

timing that needed resolving between the LAA year (April-March) and the school year (September-August).

Currently there were nine funding streams, as identified in the report, pooled together. This situation was expected to be repeated next year. The pooled grants included key budgets for schools.

The Director for Children's Services informed the Forum that she was a Member of the Partnership Board as Chair of the Herefordshire Children's Trust so she would be able to represent their views at a high level. The Chief Executive's group was the body that made the final decisions where the Director would be represented by the Chief Executive of Herefordshire Council.

The Forum was advised that its Membership was restricted to a maximum of 20 Members and following the earlier request to increase the number of secondary school members on the Forum a representative of the Partnership would not be able to added as a formal Member. It was suggested that the Partnership could be allocated observer status on the Forum alongside the Learning and Skills Council and Early Years and Childcare Partnership.

The Finance Manager explained that the grants featured in the report were worth a total of £1.7m. He stated that the vast majority of these grants paid for staff.

In response to a question the Partnership Manager explained that a significant amount of consultation work had been undertaken with the Children's Services Directorate including the implications of the Children and Young People's Plan.

A Member of the Forum stated that wide-ranging work that the Partnership was involved in was illuminating and even though schools had a role to play she thought that felt small compared to the wider context of the Children's Trust and the emerging Primary Service Trust. There was also the possibility that the level of funding devolved to the Partnership for schools could increase so it was important that schools engaged with the Partnership.

The Head of Commissioning and Improvement explained that he envisaged the Forum expanding its role to monitor the way that the Partnership allocated and managed its resources for schools in the same way that it did so for the council. He felt that the areas identified in the report where the money was spent at the current time were appropriate and suggested that the money available be spent in similar areas this year.

The Director of Children's Services reassured the Forum that she planned to bid to increase the level of funding available to schools through the LAA>

The Finance Manager stated that there was a need to integrate the schools budget process with the LAA proposals.

RESOLVED:

That:

- (a) The budget cycle for the Local Area Agreement funding is integrated with the Schools Budget planning process;**
- (b) Herefordshire Schools Forum to ensure that it participates in any consultative work required by the Herefordshire Partnership;**

- (c) Herefordshire Schools Forum to support the Director of Children's Services in her work with the Herefordshire Partnership;
 - (d) consideration be given to granting a representative of Herefordshire Partnership observer status on the Forum;
 - (e) a representative of Herefordshire Partnership be invited to meet with the Primary Head's Group and Herefordshire Association of Secondary Heads as soon as possible;
- and;
- (f) details of the Herefordshire Partnerships Membership and decision-making structures be circulated for information.

The meeting adjourned at 10.56 am and reconvened at 11.10 am.

9. BUDGET WORKING GROUP

The Forum considered the minutes of the last meeting of the Budget Working Group which met on 23 April 2007.

The Finance Manager highlighted the following key points from the last meeting of the Budget Working Group:

- Representatives from Government Office for the West Midlands were not able to add any additional advice regarding Social Deprivation Funding. Further guidance on this area was expected after local concerns had been passed onto the DfES.
- Premises protection could be withdrawn from April 2008. If this was to take place it would form a part of the annual Schools Budget consultation.
- The speed of the Schools Review process would be increased.
- Proposals for SEN Services funding would be discussed at the next meeting of the Forum.

RESOLVED: That the minutes of the Budget Working Group meeting that took place on 23 April 2007 be noted.

10. SCHOOLS BUDGET 2007/2008

The Forum was informed about the Section 52 Education Budget Statement for 2007/08.

The Finance Manager reported to the Forum that the Section 52 education Budget Statement was now available on the Herefordshire Council education website.

He continued to explain that the final budget for 2007-08 school year had still not been determined by the DfES. In January 2007 local data showed that there were 191 additional pupils in Herefordshire schools compared to the DfES estimate. Due to uncertainty over pupil numbers, school budgets have been allocated on the basis that only 100 of these additional pupils will be recognised by DfES for inclusion in the Dedicated Schools Grant (DSG). If the additional 91 pupils are allowed by DfES then there would be additional money available for the 2007/08 Schools Budget.

There was a £222,756 underspend of DSG from 2006/07. The Finance Manager

recommended that the Forum delay making a decision about the use of this money until the DSG for 2007/08 was confirmed.

The following are the principle points from the ensuing discussion:

- In response to a question suggesting the underspend should be allocated to schools this school year the Finance Manager stated that he wanted to avoid issuing money to schools mid-year as it was bad practice. A Member of the Forum expressed concern that £91,000 was being set aside to help schools in financial difficulty when there was £222,756 remaining in the schools budget. The Finance Manager confirmed this approach but stated that as the final DSG for 2008/09 was unknown at the present time he wanted to retain the money to make up for any potential shortfalls. The Forum agreed to look at the issue at the next meeting when the final DSG was known.
- The percentage increases in school funding were underpinned through the Minimum Funding Guarantee. The percentage increases included funding awarded for personalised learning.

In closing the item the Head of Commissioning and Improvement informed the Forum that schools budget were increasing in line with the percentages outlined in the report but falling numbers meant that these increases were probably not being noticed. He added that at a recent DfES conference assurances were received that funding for sixth form providers should be more secure in the future.

RESOLVED:

That:

- (a) **consideration of the use of the £222,756 Dedicated Schools Grant underspend be deferred until the final Dedicated Schools Grant for 2007/08 is known;**

and;

- (b) **the 5% increase in Individual Schools Budget and 4% increase in Central Expenditure be noted.**

11. SCHOOL BALANCES - MARCH 2007

The Forum was informed of school balances at the end of financial year 2006/2007.

The Finance Manager reported that school balances in the county had reduced by £2,096,862 since April 2006. This was mainly due to schools transferring excess revenue into capital in order to avoid the council's claw back scheme.

He explained that the intention was that those schools who had transferred revenue balances into capital balances would be asked to present the Children's Services department with a plan on how the money was going to be spent. The Forum learnt that due to pressures on the council's capital budget there may be some pressure on schools to use their own money to fund some capital costs such as general maintenance.

He also highlighted that Riverside Primary School had been allowed to keep revenue balances that exceeded the claw back limit. This had been previously agreed with the former governing bodies to help fund the transition into the new merged school currently being built.

The DfES were concerned about the size of school balances nationally and there had been talk of a 5% 'tax' being applied on all school balances by the DfES. When compared to authorities of similar sizes, school balances in Herefordshire were still in excess of those held by others in its benchmarking group. Herefordshire's excessive balances were held in the main by primary schools.

Forum Members commented that as schools were now expected to have three-year budgets it would be better if school balances were assessed on a three yearly basis before any claw backs took place. This would allow greater planning to take place. The Finance Manager agreed to make representations along this line to the DfES.

The Head of Commissioning and Improvement explained that it could be possible for schools to trade revenue and capital between themselves or with the council if the underspend in DSG remained. The Forum requested that this possibility be investigated.

It was noted that although voluntary aided schools are required to pay VAT on the governor's capital responsibilities careful planning on jointly funded schemes may be appropriate to make the best use of available funds.

RESOLVED:

That:

- (a) the reduction in school balances of 7.4% be noted;**
- (b) the increase in capital balances be noted;**
- (c) further work be carried out during 2007/08 be carried out to ensure that schools have definitive plans to spend their capital balances within a three-year period;**
- and;**
- (d) investigations be carried out on the possibility of schools being able to trade revenue and capital balances.**

12. LOCALLY MANAGED SCHOOLS FINANCIAL MANAGEMENT SYSTEM - AUDIT REVIEW

The Forum was informed of the outcome of the internal audit of the LMS Financial Management System.

The Finance Manager reported that the outcome of the recent inspection had seen the LMS financial management system rated as good compared to last years rating of satisfactory.

The audit report, as appended, contained two recommendations. The Finance Manager explained that whilst the recommendations were fine in principle but there were other factors that needed to be taken into consideration before they could be implemented.

The Chair congratulated the Finance Manager and his team on the successful outcome of the inspection.

RESOLVED: That the report be noted.

13. F40 GROUP RESPONSE TO THE SCHOOL, EARLY YEARS AND 14-16 FUNDING

The Forum considered the response of the F40 Group to the consultation on School, Early Years and 14-16 funding.

The Finance Manager informed the Forum that Herefordshire had now joined the F40 campaign of poorly funded local authorities in terms of resources for schools. The F40 Group had presented a joint response to the latest DfES consultation, a copy of which was contained in the agenda papers.

The outcome of the consultation is still awaited. In the meantime the council was to begin issuing press releases to the local media about the poor funding agreement received by the county's schools. To this end it was desirable if schools could volunteer to be used as examples about their particular funding problems to highlight the local situation.

He added that Council Officers and the former Cabinet Member (Children and Young People) had had a long discussion about small schools with representatives of the DfES at a recent conference.

RESOLVED: That the report be noted.

The meeting ended at 11.51 a.m.

CHAIRMAN