

**Minutes of the meeting of Herefordshire schools forum held at  
The Council Chamber - The Shire Hall, St. Peter's Square,  
Hereford, HR1 2HX on Friday 6 July 2018 at 9.30 am****Present:**

**Mrs J Cohn (Academy Special School Representative) (Vice Chairman – in the Chair)**

|                  |   |
|------------------|---|
| Mrs S Bailey     | Local Authority Special School Headteachers         |
| Mr P Burbidge    | Roman Catholic Church                               |
| Mrs J Cohn       | Academy Special School Representative               |
| Mr P Deneen      | Trade Union Representative                          |
| Mr S Kendrick    | Local Authority Maintained Primary School (Nursery) |
| Mr C Lewandowski | Trade Union Representative                          |
| Mrs S Lines      | Church of England                                   |
| Mrs R Lloyd      | Early Years Representative                          |
| Mrs J Rees       | Local Authority Maintained Primary School           |
| Mrs K Weston     | Local Authority Maintained Primary School           |

**In attendance: Councillors FM Norman, NE Shaw (Cabinet Member) and EJ Swinglehurst (Cabinet Member)**

**Officers:** L Fraser (Interim Assistant Director Education Development and Skills), M Green (Schools Finance Manager)

**1. APOLOGIES FOR ABSENCE**

Apologies were received from Mr Edwards, Mr A Evans, Mr G Evans, Mr Farmer, Mrs Johnson, Mr Knapp, Mr Henton and Mr Lewis.

**2. NAMED SUBSTITUTES**

None.

*(It was reported that Mr Burbidge had been authorised to represent the views of the maintained primary and secondary school governor representatives who had been unable to attend the meeting.)*

**3. DECLARATIONS OF INTEREST**

None.

*(It was reported that the meeting was inquorate. As provided for in section 9 of the Forum's Constitution this meant that the meeting could proceed but could not legally take decisions. The meeting could respond to local authority consultation and give views*

*to the local authority. The local authority may choose to take account of views from an inquorate meeting, but was not legally obliged to do so.*

*It was noted that there were some decisions invited on two of the items. Consideration would be given to whether the urgent decision making mechanism in the constitution would need to be employed subsequent to the meeting.)*

#### **4. MINUTES**

The meeting indicated approval of the minutes of the meeting held on 23 March 2018.

#### **5. UPDATE ON NATIONAL SCHOOL FUNDING (Pages 5 - 6)**

The Schools Finance Manager (SFM) gave a presentation.

A copy of the slides is attached to these minutes at appendix 1.

In response to questions the SFM clarified the role of the F40 Group comprising the 40 lowest funded local authorities. He considered that Herefordshire being part of this grouping offered access to the Secretary of State in a way that Herefordshire would not achieve otherwise. The Department for Education was under no illusion about the funding pressures faced by schools, in particular in relation to high needs.

Thanks were extended to the SFM for his work on the F40 group and his contribution to ensuring that the voice of Herefordshire was heard at national level.

The interim Assistant Director provided an update on Robert Owen school indicating that it would close at the end of August 2018. Places had been found for pupils at other schools. It was not yet clear whether the government would make additional funding available for those schools. The future of the school buildings was as yet unknown.

The agenda item was noted.

#### **6. LOCAL MANAGEMENT OF SCHOOLS DIRECTED CHANGES**

The Forum was invited to approve a change to the council's local scheme for managing schools, as directed by the Department for Education. The directed change was to ensure that loans agreed by the council with schools in future are for capital purposes only.

The Schools Finance Manager (SFM) presented the report.

Members supported the amendments to the scheme for financing schools.

The SFM reported that as the Secretary of State had directed that the changes be made with effect from 22 March 2018, the matter could await ratification by the Forum in October.

## **7. REVIEW OF SCHOOLS FORUM MEMBERSHIP**

The Forum was invited to review the membership of the Herefordshire Schools Forum and the Budget Working Group and to consider arrangements for elections of members for the 2018-2021 term.

Members indicated support for recommendations as set out in the report:

That:

- (a) the outcome of the annual review of proportionality is noted and no changes are made to allocations of seats on Herefordshire Schools Forum;
- (b) the allocation of seats on the budget working group be adjusted in line with the outcome of the proportionality review by reducing the number of seats allocated to local authority maintained secondary schools to one and increasing the number of seats allocated to academies to five; and
- (c) the timetable for elections to the forum for the 2018-2021 term, as set out in paragraph 17, is supported.

It was noted that consideration would be given to whether the mechanism for taking an urgent decision on any of these matters would need to be employed.

## **8. HEREFORDSHIRE COUNCIL BUDGET PRIORITIES CONSULTATION (Pages 7 - 32)**

The Schools Finance Manager (SFM) gave a presentation briefing members of the Forum on the council's budget priorities consultation for 2019/20.

A copy of the slides is attached to these minutes at appendix 2. The budget consultation questionnaire had been circulated as a supplement to the agenda papers.

In discussion the following principal points were raised:

- The apprentice levy was discussed. It was noted that if the funding was not spent any unspent balances were returned to government and not schools. It was observed that there were a range of activities that were eligible for funding from the levy. It was proposed that a briefing should be issued to all schools via the September edition of the Spotlight highlighting the opportunities available for using this funding. The subject could also be added to the agenda for the Governor and Head Teacher briefings in the Autumn.
- The pressure business rates placed on businesses and the effect this had on school fund raising opportunities was mentioned. The cabinet member finance and corporate services commented that business rates whilst collected by the council were set nationally. Whilst the regime was changing and councils would retain a higher proportion of this income locally it was unclear what responsibilities might be placed upon councils alongside this change and whether the rate levels would change.
- The cabinet member finance and corporate services undertook to seek clarification on the council's policy on the future operation and funding of children's centres.
- The provision of bus services and community care packages were also touched upon.

Members of the forum noted the presentation.

**9. DATE OF NEXT MEETING**

It was noted that the next scheduled meeting was 19 October 2018.

In closing the meeting, noting that elections to the Forum were due, the Vice-Chairman thanked members for their contribution to the Forum's work.

Thanks were expressed to officers for their work in supporting the Forum.

The meeting ended at 10.40 am

**Chairman**

## School Funding Update 2019-20

- The 2019-20 schools NFF will be broadly the same as the 2018-19 NFF, with the following key differences (already announced):
  - The funding floor will increase to 1% against 2017-18
  - The gains cap will increase to 6.09% against 2017-18
  - The minimum per pupil funding levels will increase to £3,500 and £4,800 for primary and secondary schools respectively
- The most substantial change in 2019-20 will be the introduction of a formulaic approach to the growth factor.

## NFF – Growth calculation

- DfE introducing a growth factor
  - Based on lagged pupil growth
  - Measured at middle super output areas
  - Additional amount for new schools
- Growth in pupils funded between two most recent October pupil census
  - Pupil funding rates at £1,370 primary and £2,050 secondary
  - £65,000 for each new school built
- We may get some extra funding – until now we haven't had a growth fund and a policy to allocate – this will be new for us and may be required for 2019-20.

## School Funding Update 2019-20

- PFI factor will be indexed by RPI
- Mobility factor to be improved and maybe introduced for 2020-21
- Primary Low Prior Attainment – small reduction in factor value to reflect the increase in cohort size
- DfE to publish primary and secondary DSG funding values 2019-20 ( PUFs & SUFs to multiply by pupil numbers to determine Schools Block)
- DfE to publish illustrative school allocations in July – not sure this is useful as pupil numbers change

## High Needs Update 2019-20

- 2019-20 broadly same as 2018-19 with key differences
  - Funding floor increases by 1% compared with 2017-18
  - Gains cap increases to 6.09% equivalent to 3% year on year.
- Special free schools transferred into DSG for 2019-20
- Hospital Education – DfE reviewing allocations with a view to change
- Special school sixth form grant paid into DSG
- **SFVS – to be developed further to include a dashboard for 2019-20 and a voluntary version for academies from September 2018.**

## f40 Update 2019-20

- F40 met with Secretary of State last week
  - High needs high on the f40 agenda and stressed without additional funding situation would become critical
  - Expressed importance of teacher recruitment and retention
  - Asked for additional funding to cover pay awards
  - Annual inflation increases for schools and high needs funding
  - Benefits of 3-4 year rolling budget programme for schools to give greater certainty
  - Constructive relationship between DfE officials and f40 to work together to improve National Funding Formula



# 2019/20 Budget consultation

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MINUTE ITEM 8

# Budget consultation

- Each year Herefordshire Council consults on its budget and this year is no different.
- We want to hear your views on some of the tough decisions we will need to take.
- We have a clear focus on improving outcomes for Herefordshire and an enviable track record of delivering on what we set out to do.
- We are proud of our work with partners and communities in transforming services and improving outcomes. This is underpinned by our strong social and commercial values.



# Herefordshire and the need for change

- As a county we have fantastic economic, social and landscape assets – we offer a unique quality of life to people who work and live within the county and for those who visit the area and want to do business here.
- The council has reshaped in recent years – we continue to invest in a range of projects that change the way we work and how we deliver services to meet the needs of customers.

# Herefordshire and the need for change

- The high costs of providing services for a rural and sparsely populated county have always been a challenge.
- The county has an older age structure than England & Wales as a whole and this proportion is increasing annually.
- To cope with this and other demands such as children's wellbeing, we are focusing on prevention.
- We aim to work with individuals, families and communities to support them to be independent and to keep them safe and healthy.

# Herefordshire Council

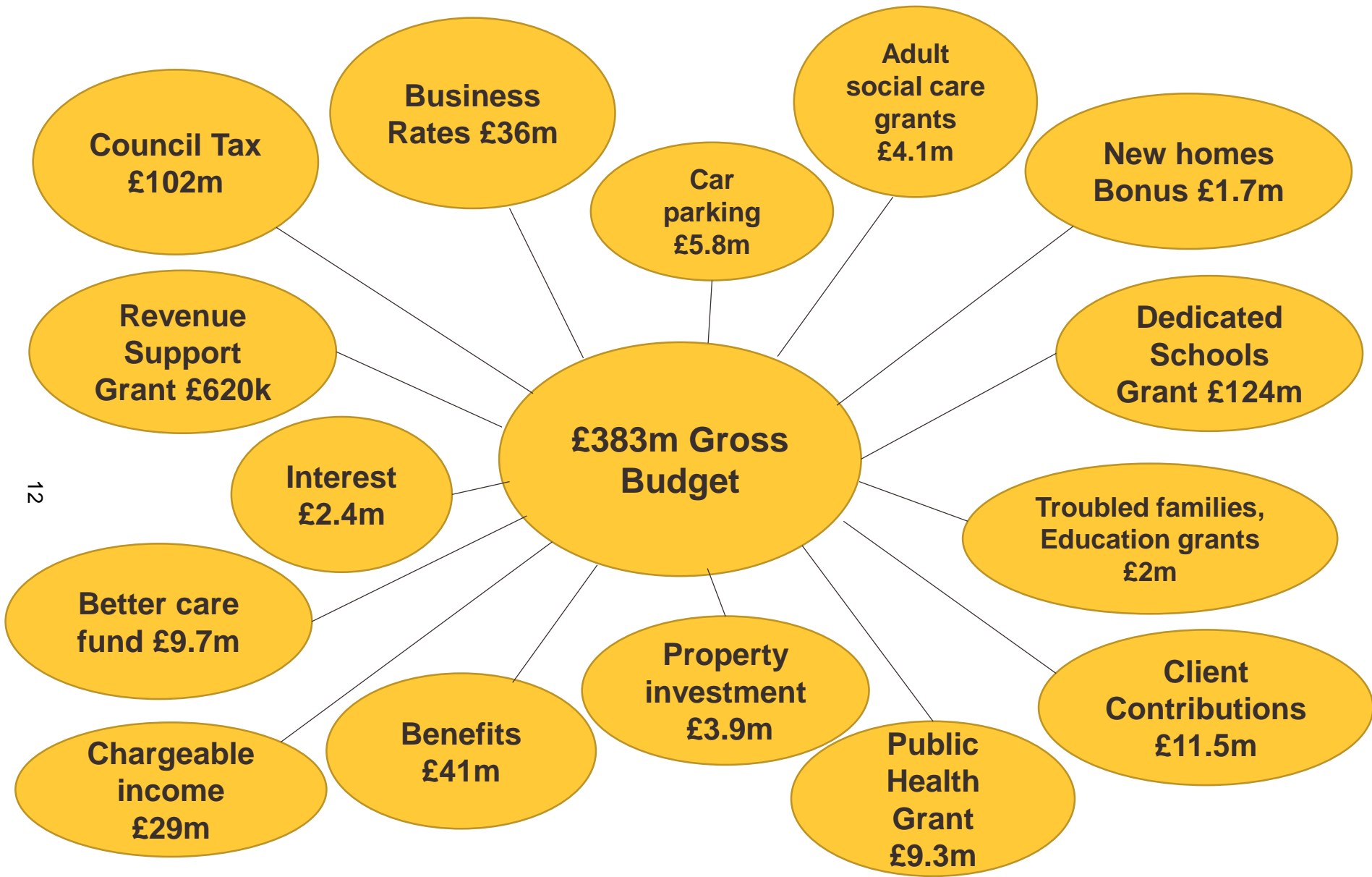
2018/19:

- Gross revenue budget £383m
- Council Tax charges for an average Band D property (£120.32 per month)
- Capital budget £147m 2018-2021

⇒

2019/20:

- Our Medium Term Financial Strategy assumes a 4.9% increase to next year's Council Tax (£126.23 per month for an average Band D property)
  - 2.9% increase in the core Council Tax
  - 2% adult social care precept



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# Projected 2019/20 Till Receipt



Charges per month (average Band D property)  
2019/20 Monthly Council Tax receipt

|  | #     |
|--|-------|
| <b>** Daily life **</b>  |       |
| * Bin collections and environment  | 13.72 |
| * Roads, bridges and care of public spaces                                     | 7.21  |
| * Schools and education  | 98.13 |
| * Buses and community transport  | 6.39  |
| * Libraries, records and customer services                                     | 1.30  |
| <b>** Looking after adults **</b>  |       |
| * Older people in residential / nursing care                                   | 13.38 |
| * Older people supported at home   | 9.24  |
| * Disabled adults  | 27.76 |
| * Lifestyles services (substance abuse, sexual health)                         | 2.64  |
| * Health improvement (Public Health nursing, health checks, smoking cessation) | 5.61  |
| * Housing  | 0.52  |
| <b>** Looking after children **</b>  |       |
| * Child protection   | 3.75  |
| * Children in care   | 12.87 |
| * Children with special needs  | 3.28  |

**\*\* Local government running costs \*\***

|   |       |
|---|-------|
| * Election, governance and legal services | 3.24  |
| * Directors & staff costs                 | 0.65  |
| * Organisational administration           | 1.41  |
| * IT, transactions and billing (Hoople)   | 5.19  |
| * Insurance and property maintenance      | 5.08  |
| * Capital finance - Debt repayment        | 7.83  |
| * Capital finance - Interest payments     | 10.24 |

**\*\* Economic growth \*\***

|   |               |
|---|---------------|
| * Economic development and regeneration | 1.27          |
| * Broadband - rural rollout             | 0.13          |
| * Planning                              | 0.35          |
|   | <b>241.19</b> |

\*\*\*\*\*

**\*\* VOUCHER \*\***

|   |        |
|---|--------|
| <b>** Other income to supplement council tax **</b> |        |
| * Investment Property income                        | -2.91  |
| * Car parking                                       | -5.36  |
| * Capital finance - Interest received               | -2.01  |
| * Public Health grant                               | -7.70  |
| * National Education funding (schools)              | -96.98 |

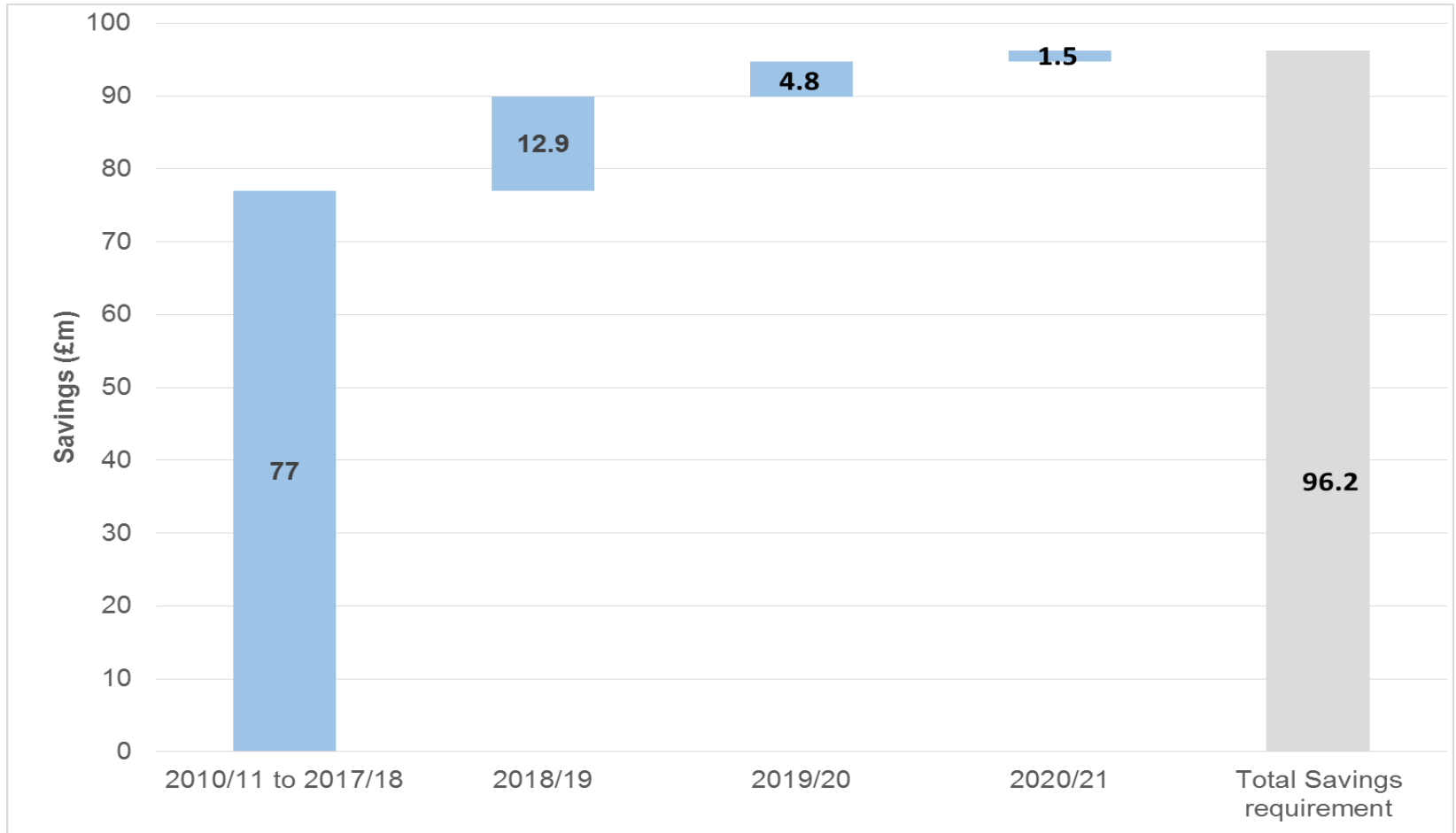
**TOTAL TO PAY (per month) £126.23**

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SIGN UP FOR MORE INFORMATION AT  
WWW.HEREFORDSHIRE.GOV.UK/COUNCILTAX  
01/04/19 09:00 1234 23 42  
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# Scale of change

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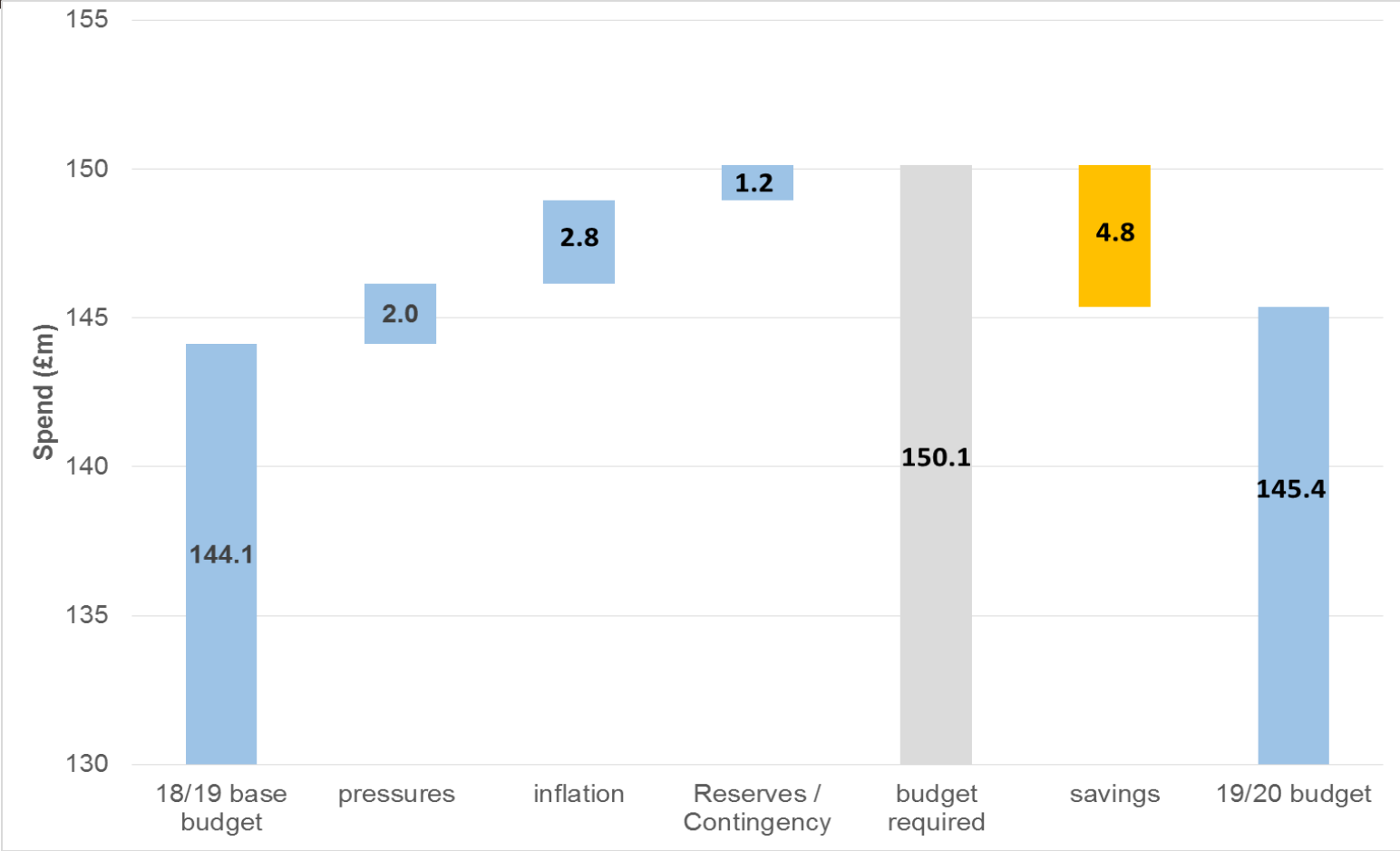


# Savings required

| Directorate Savings              | 2019/20<br>£000s | 2020/21<br>£000s | Total<br>£000s |
|----------------------------------|------------------|------------------|----------------|
| Adults and wellbeing             | 1,500            | 0                | 1,500          |
| Children's wellbeing             | 1,050            | 650              | 1,700          |
| Economy, communities & corporate | 2,017            | 350              | 2,367          |
| Corporate savings                | 200              | 500              | 700            |
| <b>Total Savings</b>             | <b>4,767</b>     | <b>1,500</b>     | <b>5,267</b>   |

# Calculation of savings requirement for 2019/20

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# Priorities

Our priorities for the period 2016 – 2020 are set out in the Herefordshire Council Corporate Plan:

- Enable residents to live safe, healthy and independent lives;
- Keep children and young people safe and give them a great start in life;
- Support the growth of our economy; and
- Secure better services, quality of life and value for money.

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# Feedback from business

- Find it difficult to recruit and retain good quality staff.
- Skills gaps in certain sectors.
- Infrastructure is key to opening up new markets and accessing services.

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# The council's response

- A positive planning framework with 16,500 new houses across the county.
- New employment allocations in Hereford and the market towns.
- New infrastructure, including bypasses for Leominster and Hereford

# Moving forward

- We will build 'assets' that support indigenous business growth and attract inward investment.
- We will develop the relationship between the public and private sectors.
- <sup>20</sup>• We have appointed two development partners (Keepmoat Homes and Engie Regeneration).
- We are the accountable body on behalf of central Government for the £23m to the New Model in Technology & Engineering (NMiTE) for delivering the new university.

# £1.5m Adults and wellbeing savings required in 2019/20

| Savings Proposal                                     | £000         |
|--|--------------|
| Improved Better Care Fund (IBCF) – Workforce savings | 600          |
| Implementation of the Adult Social Care Pathway      | 800          |
| Change in Policy on disregards                       | 100          |
| <b>Total adults and wellbeing</b>                    | <b>1,500</b> |

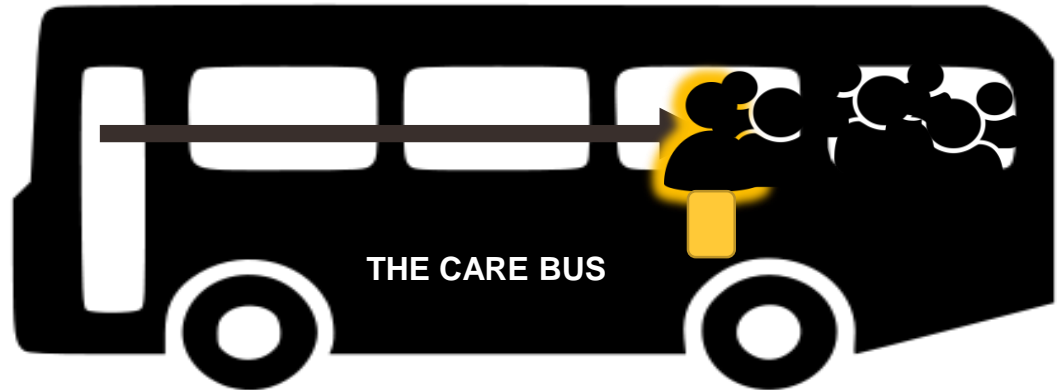
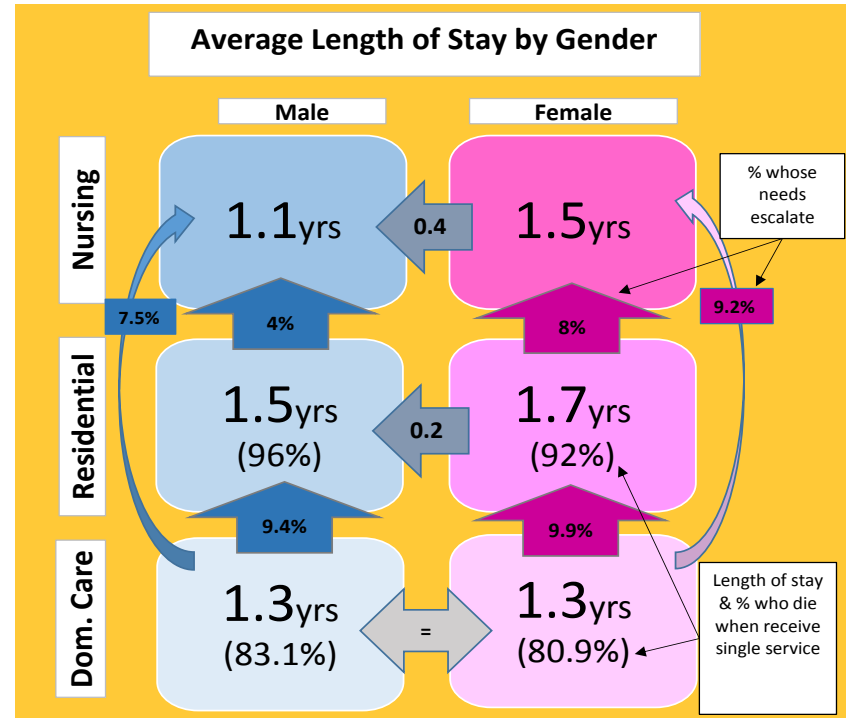
# Adults and wellbeing

- Implementation of our pathway model is paying dividends and has been recognised as best practice in the sector.
- We have seen a reduction in the average cost of care packages.
- 22 • A new strategy for people with learning disabilities has been adopted – its focus is to ensure the best outcomes for this group of vulnerable people.
- It is imperative that our Public Health and wider wellbeing message is heard by system partners.

# How long do they stay?



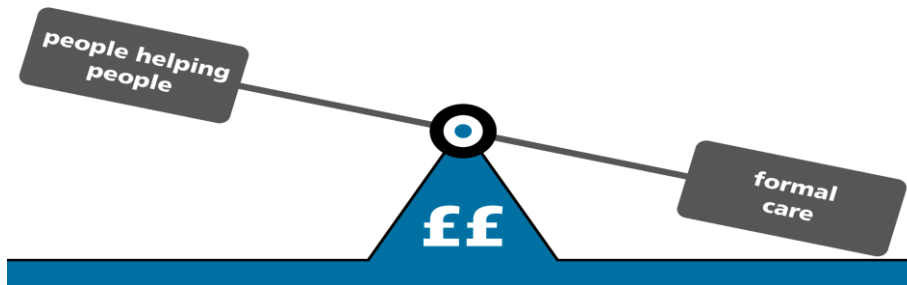
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# How can you help

- Get to know and use our community advice and directory tool – WISH;
- Encourage your local groups and volunteers to register their skills and activities on WISH;
- Direct people to WISH if they are looking for some help or support that they or their families or carers could organise themselves;
- Find out about local projects or activities that are building networks of support and offer your local knowledge and insights to support them e.g. Connecting Communities – Leominster – Golden Valley

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# £1.050m Children's wellbeing savings required in 2019/20

| Savings Proposal                               | £000         |
|--|--------------|
| Contract Inflation                             | 200          |
| Reduction in the cost of looked after children | 650          |
| Workforce structure                            | 200          |
| <b>Total Childrens Wellbeing</b>               | <b>1,050</b> |

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# Schools and high needs

- Funded by government grants (schools and academies £99.4m and high needs £24.5m).
- There is severe cost pressure on high needs spend at a national level for all councils – many are overspending.
- We forecast a £2m overspend within 3 years in Herefordshire if no action is taken.
- A cost reduction programme has been agreed with the schools forum and a fundamental service review is underway.
- £0.7m of savings identified so far (more to follow).

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# Local support of children's services

- Support families and communities to encourage healthy eating (particularly for children).
- A campaign is about to be launched which encourages good dental health.
- 27 • Encourage businesses to offer apprenticeships and work opportunities for young people (help them into employment).

# £2.017m Economy, communities and corporate savings required in 2019/20

| Savings Proposal                                | £000         |
|---|--------------|
| Museum, library and archive services            | 250          |
| Public and Community Transport                  | 225          |
| Public Realm / Annual Plan                      | 125          |
| Accommodation Strategy                          | 360          |
| ECC efficiencies                                | 460          |
| Procurement Savings                             | 300          |
| Property Services contract savings              | 200          |
| Organisational Redesign savings                 | 97           |
| <b>Total Economy, Communities and Corporate</b> | <b>2,017</b> |

# Improving efficiency

- Reviewing public transport and making efficiency improvements across these contracts enabled early delivery of savings.
- Achieving our income targets from car parking will be challenging.
- Currently reviewing delivery options for museum, library and archive services.
- Our continuing investment in superfast broadband will make the county one of the country's most fibre connected areas.
- Fixing the roads is important to the economy of the county.

# Capital programme

|   | 2018/19<br>£000 | 2019/20<br>£000 | 2020/21<br>£000 |
|---|-----------------|-----------------|-----------------|
| <b>Capital Investment Programme and Financing</b> |                 |                 |                 |
| <b>Total Expenditure</b>                          | <b>92,148</b>   | <b>47,911</b>   | <b>8,317</b>    |
|   |                 |                 |                 |
| Prudential Borrowing                              | 28,156          | 25,547          | -               |
| Grants and contributions                          | 51,497          | 22,213          | 8,317           |
| Capital Receipts                                  | 12,495          | 150             | -               |
| <b>Total Funding</b>                              | <b>92,148</b>   | <b>47,911</b>   | <b>8,317</b>    |

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# Budget consultation



- The main method for people to give their views on a variety of proposals will be via an online survey.
- The survey will be promoted through a mixture of digital and traditional communication channels.
- Targeted engagement with key stakeholder groups (elected members, parish councils, health partners, schools and businesses).

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