

MINUTES of the meeting of Herefordshire Schools Forum held at Council Chamber, Brockington, 35 Hafod Road, Hereford HR1 1SH on Thursday 8 December 2011 at 9.30 am

Present: Ms T Kneale (Chairman)
Mr NPJ Griffiths (Vice-Chairman)

Mr A Teale, Mrs JS Powell, Mr JA Chapman, Mr P Burbidge, Mr N O'Neil,
Mrs J Cecil, Mr P Box, Mr S Matthews, Mrs J Baker, Mrs S Bailey, Mr J Docherty,
Mr A Shaw, Mr P Barns, Dr M Goodman, Mr J Sheppard and Mr C Lewandowski.

In attendance: Councillor PD Price- Cabinet Member – Corporate Services and Education

35. APOLOGIES FOR ABSENCE

Apologies were received from Mrs Catlow-Hawkins, Mr T Edwards, Mr J Godfrey, Mr M Harrison, Mrs A Jackson, Mrs R Lloyd, Mrs A Pritchard, Mrs K Rooke, and Mrs S Woodrow.

36. NAMED SUBSTITUTES

Mr C Lewandowski substituted for Mr M Harrison.

37. DECLARATIONS OF INTEREST

There were none.

38. CHAIRMAN'S ANNOUNCEMENTS

There were none.

39. MINUTES

RESOLVED: That the Minutes of the meeting held on 23 September 2011 be confirmed as a correct record and signed by the Chairman.

40. PRESENTATION ON NATIONAL SCHOOL FUNDING FORMULA.

The Schools Finance Manager (SFM) gave a presentation on the highlights of the feedback on the national consultation on school funding reform, which had been presented by the Department for Education at the National School Funding Conference held in November.

The concluding slide showed the findings of a modelling exercise undertaken by the Institute of Fiscal Studies on the estimated impact of the national funding formula. This showed a reduction in funding for Herefordshire Primary Schools of 3.3% and for Secondary Schools of 7.4%. The SFM reported that whilst this study was not definitive the findings were of concern. The Council was seeking clarification through the F40 group and preparing to lobby MPs and other relevant people.

The Forum noted that until the details of the financial model, and the factors that had been taken into account in it, were known it was not possible to go into the matter in any more depth.

The Cabinet Member expressed his concern about the early indications that Herefordshire's funding settlement, already one of the lowest, may be facing a reduction. He invited members of the Forum to provide evidence to the Council to support the case for increased funding.

It was noted that an update would be provided to the Forum in January.

41. REPORT OF THE BUDGET WORKING GROUP

The Forum considered a report from the Budget Working Group (BWG).

A report had been circulated separately.

The Chairman of the Group commented briefly on matters considered at the Group's meetings on 19 October and 25 November.

In discussion the following principal points were made

- Concern was expressed about the way in which a proposal to use the 2010/11 underspend had been presented to the BWG on 25 November without prior notice, when the BWG had already considered the matter in detail and formulated its recommendations to the Forum at its meeting on 19 October.
- The role of the Budget Working Group and the increasing responsibility being placed upon it, and the respective roles and responsibilities of the Forum and the Council, in particular with respect to the allocation of the Dedicated Schools Grant, were discussed. It was proposed that a briefing note be circulated clarifying the current position.
- It was also proposed that, as a matter of courtesy and principle, no matter should be submitted to the Forum or the Budget Working Group without consultation with the relevant Chairman, appropriate prior notice and the presentation of a written report in advance of the meeting.
- The Cabinet Member put on record his respect for the expert advice and opinion that the Forum provided. He stated that he had always taken full account of the Forum's views in the past and would expect to continue to do so in the future. He also agreed to discuss the concerns raised by the Forum with the Director of People's Services.
- The implications of the proposal that individual local authority maintained schools should be responsible for repaying any deficit they incurred over time was discussed. The Schools Finance Manager explained how the aggregated schools balances had to date been used to fund deficits in a manner akin to interest bearing loans to schools.
- That the proposed further report to the BWG on the allocation of the 2010/11 underspend should be circulated to all Members of the Forum.
- The proposal to reallocate part of the £200k set aside for complex needs for training for schools and governors (recommendation j ii as set out in the report) was rejected. It was proposed that recommendation j iv as printed, the use of part of the sum for a contingency fund, should be referred to the BWG.

RESOLVED:

That (a) the creation of a Financial Difficulty Reserve should not be supported;

- (b) the Council be advised that individual local authority maintained schools should be responsible for repaying their deficits over a period of time to be negotiated with the Council, with repayments to be based on a percentage of income, the precise details of each repayment plan to be subject to regular review by the Council and the relevant school;
- (c) the Cabinet Member be recommended that the Forum's support for the music service be maintained at its current level of £25k for a further 4 years and a one off- contribution of £60k made from the 2010/11 underspend;
- (d) consideration of the allocation of the £361k underspend in 2010/11 to schools and early years settings be deferred pending a further report to the Budget Working Group on 14th December 2011, with a copy of the report to be circulated to all Members of the Forum;
- (e) a policy be developed to govern how any future underspends might be used;
- (f) a representative Group of say 8 people should be set up comprising representatives from the Budget Working Group, and a mix of primary and secondary headteachers from within and without the Excellence Cluster to consider changes to excellence cluster funding and report back to the Budget Working Group with a view to ensuring the implementation of changes by no later than 2013/14;
- (g) subject to the Department for Education funding announcement:

 - (i) that budget option B(ii) be supported: a cash reduction of £100k applied equally to all high schools and primary schools who receive small schools protection;
 - (ii) that budget option G(i) the delegation of Band 3 and full Band 4 to high schools and G(ii) the delegation of Band 3 according to the sliding scale for primary schools and G(iv) the retention of band 4 funding centrally for primary schools be supported;
 - (iii) the £200k previously set aside for SEN complex needs be reallocated as follows;

 - (i) delegation of Band 3 and Band 4 by reducing the impact of savings in the Minimum Funding Guarantee (£100k)
 - (ii) reducing the impact of budget cuts on the PRUs by limiting their reduction to 1% i.e. broadly in line with schools (£18k); and
 - (iv) the proposal to create a contingency fund of £50k to provide for SEN in year pupil movements from out of county be referred back to the Budget Working Group for consideration;
- (h) a briefing note be circulated on the role of the Budget working Group and the respective roles of the Forum and the Council; and
- (i) that as a matter of courtesy and principle no matter should be submitted to the Forum or the Budget Working Group without consultation with the

relevant Chairman, appropriate prior notice and the presentation of a written report in advance of the meeting.

42. SCHOOLS CAPITAL INVESTMENT PROGRAMME

The Forum considered the investment programme for Herefordshire schools in 2011/12 and an update on the Government review of schools capital funding and the possible implications for Herefordshire.

The Assistant Director Peoples Services Commissioning (ADPC) presented the report. He emphasised the intention to provide all schools with information showing the amount of expenditure on individual schools. He highlighted the Government's consideration of the basis for Basic Need grant allocations for 2012/13 and that if the proposed methodology were not changed Herefordshire would lose a quarter of its Basic Need Funding. Representations had been made.

It was reported that some schools had concerns about the criteria for the allocation of funding. The ADPSC commented that the Council wanted to refine the allocation criteria and would welcome suggestions.

The resource implications for small schools in submitting bids, often to tight timescales, were also highlighted, emphasising the need to make the process as straightforward as possible.

It was proposed that a briefing note be circulated to all schools setting out the capital amounts received by each school

A briefing note was also requested explaining the provision of £250k for an emergency contingency in addition to £300k for insurance.

RESOLVED:

- That (a) the 2011/12 capital investment process and programme be noted;**
- (b) the update on the Government review of schools capital and possible implications for Herefordshire be noted;**
 - (c) a briefing note be circulated to all schools setting out the amounts received by each school and this should be done in future years as a matter of course; and**
 - (d) a briefing note be circulated to the Forum explaining the provision of £250k for an emergency contingency in addition to £300k for insurance**

43. REVIEW OF IN YEAR FAIR ACCESS PLACEMENT PANEL AND FUNDING IMPLICATIONS FOR SCHOOLS

The Forum considered the activity of the In Year Fair Access Placement Panel in 2010/11 and the resulting funding implications for schools.

The Assistant Director Peoples Services Commissioning (ADPC) presented the report, prepared in response to the request of the Forum in June. He drew attention to the advice of the Department for Education that in year budget adjustments should not be

made for the ebb and flow of pupils. It was acknowledged that the Forum had, however, agreed to in-year transfers between schools and pupil referral units.

It was suggested that further analysis was needed on the net loss and gain of pupils by individual schools and the movement of children from vulnerable groups. It was proposed that, on balance, the matter was therefore worthy of examination by the Budget Working Group.

RESOLVED:

- That**
- (a) the activity of the In Year Fair Access Placement Panel in the context of in-year transfers in Herefordshire be noted; and**
 - (b) the Budget Working Group consider funding mechanisms to address the funding implications for schools receiving pupils and students through the In Year Fair Access Placement Panel, for future consideration by Schools Forum.**

44. SCHOOLS INSURANCE

The Forum received an update on schools insurance for 2011/12 and potential changes to the 2012/13 offer.

The Schools Finance Manager presented the report. He highlighted that the proposals would result in a reduction of some £20 per pupil for 2012/13. The requirement to give three months' notice of a wish to take up the relevant Service Level Agreement was being reduced to two months to allow schools more time to consider the offer. There would be a rejoining fee for schools who had left the Scheme.

RESOLVED: that the progress in reviewing the insurance offer to schools and the proposed strategy for pricing insurance in 2012/13 be noted.

45. WORK PROGRAMME

The Forum considered its work programme.

It was agreed that the work programme would be updated to include the following reports from the Budget working Group: 2010/11 underspend and funding implications of in-year transfers.

46. LATE ITEMS/ANY OTHER BUSINESS

There were none.

47. FORTHCOMING MEETINGS

The Forum noted that the next meeting was scheduled to be held at 9.30 am on Friday 20 January 2012.

The meeting ended at 10.50 am

CHAIRMAN