

**MINUTES of the meeting of Herefordshire Schools Forum held at Council Chamber, Brockington, 35 Hafod Road, Hereford HR1 1SH on Friday 12 July 2013 at 9.30 am**

**Present:** Mrs D Strutt (Chairman)  
Mr NPJ Griffiths (Vice Chairman)

Mrs S Bailey, Mr P Barns, Mrs S Catlow-Hawkins, Mrs J Cecil, Ms L Cochrane, Mr J Docherty, Mrs A Jackson, Mr R Leece, Mr C Lewandowski, Mrs R Lloyd, Mrs K. Rooke, Mr A Shaw and Mrs L Townsend

**In attendance:** Councillor JW Millar (Cabinet Member – Children’s Services)

**Officers:** Mr C Baird, Assistant Director People’s Services Commissioning, Mr M Green, Senior Finance Manager, Mr A Hough, Interim Head of Sufficiency and Capital Commissioning and Mr T Brown – Governance Services

**125. APOLOGIES FOR ABSENCE**

Apologies were received from Mrs L Brazewell, Mr P Burbidge, Mr JA Chapman, Mr K Crawford, Mr T Edwards, Ms T Kneale, Mrs J Rees, Mr S Robertson, Mrs S Woodrow, Mrs C Woods and Mr K Wright.

**126. NAMED SUBSTITUTES**

Ms L Cochrane substituted for Mrs J Rees.

**127. DECLARATIONS OF INTEREST**

Mrs S Catlow-Hawkins declared an interest in relation to agenda item 6: Schools Capital Investment Programme as Head Teacher of Bishop of Hereford’s Bluecoat School, Hereford.

**128. MINUTES**

**RESOLVED:** That the Minutes of the meeting held on 3 May 2013 be confirmed as a correct record and signed by the Chairman.

**129. REPORT OF BUDGET WORKING GROUP**

The Forum considered the report of the Budget Working Group (BWG) on the following matters: changes to the National Funding Formula, Dedicated Schools Grant Underspend 2012/13, Special Educational Needs Support Services, provision for sponsored academies deficits and the use of school balances.

Since the publication of the agenda a further meeting of the BWG had been held on 8 July, principally to give further consideration to changes to the National Funding Formula. The notes of that meeting and updated recommendations had been circulated to Forum Members.

**National Funding Formula**

The report noted that In March the Forum had submitted a response to the Department for Education (DfE) review of 2013/14 School Funding Arrangements. The DfE had now

published their findings from the review and announced the details of the changes that would be made in 2014/15.

The main issues that the Forum was invited to consider were the introduction of a sparsity factor to support rural schools, changes to the lump sum to permit differing amounts for primary and secondary schools and proposals locally to move incrementally towards the national average ratio of funding for primary to secondary school funding per pupil.

Initial views of the Forum were sought on the recommendations of the BWG to inform the preparation of a consultation paper. The consultation paper was to be issued to all schools in September and the findings reported to the Forum on 25 October prior to the submission of draft school budget proposals to the Education Funding Agency (EFA) at the end of October.

The Senior Finance Manager (SFM) gave a presentation. A copy of the presentation has been placed with the agenda papers on the Minute Book.

The first part of the presentation set out edited highlights of a presentation given by the EFA on changes to the National Funding Formula for 2014/15. In summary the 2013/14 reforms mainly stayed in place. Changes for 2014-15 were a development of 2013-14 and continued the journey towards a national funding formula for pre-16 pupils.

The presentation then highlighted principal changes for 2014-2015 and then focused on consequences for Herefordshire. The SFM outlined choices for the lump sum, the sparsity factor and the primary/secondary ratio. He noted that the consultation paper would also include proposals for high needs tariffs to replace banded funding.

The SFM commented that given the representations the Authority had made seeking recognition of the rural nature of Herefordshire it seemed correct for the Authority to make use of the sparsity factor. The implication of a national funding formula was that the current wide variation in primary/secondary ratios would not be permitted to continue. It had therefore been proposed to the BWG that there should be a managed move towards the average ratio for the Authority's comparator family group of similar authorities, reviewing the position annually. A variation in the lump sum would be one of the means of achieving this shift in resources from the primary to the secondary sector.

The Chairman of the BWG then commented on the BWG's recommendations that it was proposed should form the preferred option for consultation. He emphasised that the BWG had concluded that changes needed to be made locally in response to the move to a national funding formula. The BWG's proposals sought to make change incrementally in a planned strategic way. It was recognised, however, that this would mean difficult considerations for some schools.

In discussion the following principal points were made:

- It was emphasised that the options given in the presentation would be reflected in the consultation paper. The BWG's proposals were preferred options for the Forum to consider for inclusion in the consultation paper.
- The proposed reduction in the Primary School lump sum of £30k over 5 years to £75k, as proposed by the f40 group of authorities, was not manageable and would make a number of good schools unviable. The report quoted the DfE research suggesting a national average value for the primary school lump sum of £95k. There was no requirement to make the significant change being proposed.

The SFM commented that the BWG had supported the view that incremental change to move towards the average primary/secondary ratio of the family group of authorities of 1:1.23 would be a prudent, strategic decision. The reduction in the lump sum was a means of achieving this aim. It also reflected the DfE wish that more money should be put “through the pupil led factors so that funding genuinely follows pupils”.

## **Other Matters**

It was suggested that papers submitted to the Budget Working Group needed to be made available in full to other Forum Members both as background and to assist them in considering the Group’s report to the Forum.

The Forum discussed the Education Funding Agency’s comments on the scope for improving communication within the groups represented on the Forum. It was observed that the timescale within which Forum Members received papers and the presentation of updates at meetings had a bearing on Members’ opportunity to communicate beforehand with those they represented on the Forum.

## **RESOLVED:**

**That (a) consultation should take place on the basis that the following are the preferred options, but with a range of options to be presented in the consultation paper:**

### **1 LUMP SUM**

- a) Herefordshire should adopt the lump sum values (proposed by the f40) of £75,000 for primary and £150,000 for secondary schools**
- b) The transition to these new values should be phased in over the same period that sparsity funding is implemented – options for 3 or 5 years were suggested, the Budget Working Group favouring five years.**

### **2 SPARSITY**

**A sparsity factor should be applied as follows:**

#### **Primary Sparsity Model**

- a) That the sparsity subsidy should be set at £51,000 for a 28 pupil primary school and that funding should decrease on a tapered basis.**
- b) Primary Model A, a sparsity lump sum of £70,000 and the 105 pupil model, should be the preferred sparsity model as this does not reduce expenditure from 2012/13, however, views on the alternative Model C should also be sought.**

#### **Secondary Sparsity Model**

**That the sparsity lump sum should be set at £70,000 to maintain consistency with the primary sparsity model and the pupil threshold of 450 pupils be adopted.**

## **Sparsity Generally**

**That the cost of sparsity payments in high schools should be funded by high schools and those in primary schools should be funded by primary schools.**

### **3 PRIMARY/SECONDARY RATIO**

**That consultation be conducted on the basis of a £200,000 per year transfer from primary to secondary schools over a five year period moving the ratio from 1:18 to 1:23 at 1% per year, making provision for reviewing the position annually to permit adjustments to be made if appropriate, and ensuring that the actions of other authorities were monitored and in each annual review the family average was considered to see whether that had changed.**

### **4 MOBILITY FACTOR**

**That no change be made in relation to a mobility factor for the present and the position reviewed for 2015/16.**

### **5 LUMP SUM/SPARSITY/PRIMARY:SECONDARY RATIO PACKAGE**

**That the proposals for the lump sum, the application of a sparsity factor and a phased move towards the average funding ratios were interlinked and were best viewed as a single package.**

### **6 PRIOR ATTAINMENT – SEN PROXY PUPILS NOT ACHIEVING KS2 LEVEL 4 IN MATHS/ENGLISH**

**That the funding allocation for secondary prior attainment be amended to £147 per pupil not attaining Maths or English to maintain the current expenditure at the same level as 2013/14 i.e. £347,184.**

### **7 MISCELLANEOUS**

- That the DfE should be asked to confirm whether or not it had taken account of schools across the Welsh border in calculating the sparsity factor and requested to recalculate the sparsity factor if it had not done so.**
  - That the consultation paper should explain the redistribution of resources to more fairly reflect the deprivation factor following the cessation of the excellence cluster funding.**
  - That the consultation document should explicitly state that schools with fewer than 70 pupils could not afford their own head teacher and needed to federate if they were to be viable.**
- b it should be noted that proposals were being made on the basis that funding levels would remain the same, noting that if they were to decrease further work on the various models would be needed;**
- c in reviewing the financial risk assessment framework the Authority and schools should in particular consider what risk indicators it would be beneficial for Headteachers and governors to keep informed of, in order to**

**provide the best means of governors, and where necessary the local authority, taking early preventative action to avoid deficits arising;**

- d the Cabinet Member (Children’s Services) be recommended that the Dedicated Schools Grant underspend of £44k for 2012/13 be transferred to the High Needs Block.**
- e the Forum confirmed that it is satisfied that the requirement that Forum papers, minutes and decisions are being published promptly on the Authority’s website is being met; and**
- f the Education Funding Agency’s comments on improving communication within the groups represented on the Forum be noted.**

### **130. SCHOOLS CAPITAL INVESTMENT PROGRAMME**

*(Mrs S Catlow-Hawkins declared an interest and did not vote on this matter.)*

The Forum was invited to note and endorse the proposed approach to expenditure and accountability of the Locally Coordinated Voluntary Aided Programme (LCVAP), Basic Need Capital and Maintenance budgets.

The Interim Head of Sufficiency and Capital Commissioning presented the report.

In discussion the following principal points were made:

- It would be helpful when preparing reports on capital expenditure to include details of expenditure in previous years to allow the Forum to make comparisons.
- It was acknowledged that a number of condition surveys of schools were out of date. There was not the resource to carry out a full rolling programme of surveys and it did not in any event seem to be the best way to prioritise expenditure. The proposed development of an accountability framework for all schools would help determine priorities for maintenance expenditure.
- It was confirmed that schools withdrawing from the “Trend” heat maintenance system and other services such as health and safety assessments would be advised of the insurance and other implications.
- It was acknowledged that arrangements for ensuring works at a school had been completed to the school’s satisfaction before payment to the contractor was made needed to be strengthened.

#### **RESOLVED:**

- That**
- (a) the projected spending outlined in appendices 1, 2, 3 and 4 to the report be supported;**
  - (b) the annual “Trend” heat maintenance system costs, previously charged to the Capital Maintenance budget, be charged to individual schools on a full cost recovery basis with allowance in the 2013/14 budget for schools opting out to install their preferred system; and**
  - (c) the Local Authority’s approach to monitoring and quality-assuring the duties associated with running a building be supported.**

### **131. SCHOOL FUNDING SCHEME CHANGES**

*(The Department for Education summary of the scheme changes noted that local authorities were required to consult all schools in their area on any changes to schemes for financing schools and receive the approval of the members of their schools forum representing maintained schools.)*

The Members of the Forum representing maintained schools were asked to approve the Department for Education directed changes to the Herefordshire Scheme for Financing Schools effective from 1 September 2013.

The Senior Finance Manager (SFM) presented the report, advising that no comments on the changes had been received from schools.

The SFM also sought the Forum's view on the need to retain all the detailed appendices to the Scheme. The consensus was that, whilst there may be scope for rationalisation, the information they contained needed to be retained and accessible for reference.

#### **RESOLVED:**

- That (a) the Department for Education directed changes to the Herefordshire Scheme for Financing Schools effective from 1 September 2013 be approved; and**
- (b) the detailed appendices to the report be rationalised to ensure they remained relevant and a timescale for updating them and making them available be developed.**

### **132. WORK PROGRAMME**

The Forum requested that the following items be added to the Work Programme:

- Consultation on the provision of school transport
- Review of provisions on substitution in the Forum's Constitution

### **133. MEETING DATES**

The Forum agreed to cancel the meeting scheduled for Friday 28 February 2014.

#### **Retirement of Mrs K Rooke**

The Forum noted that Mrs K Rooke was retiring as a Special School Governor and would therefore cease to be a member of the Forum

The Chairman thanked Mrs Rooke on the Forum's behalf for her contribution to the Forum's work.

The meeting ended at 11.12 am

**CHAIRMAN**