

**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 20 October 2017 at 9.30 am**

**Present: Mr A Evans (Mainstream Academies) (Chairman)**

Mr P Burbidge	Roman Catholic Church
Mrs J Cohn	Academy Special School Representative
Mr P Cordey	Mainstream Academies
Mr P Deneen	Trade Union Representative
Mr T E Edwards	Local Authority Maintained Primary School Governor
Mr G Evans	Mainstream Academies
Mrs L Johnson	Local Authority Maintained Secondary School Governor
Mr T Knapp	Mainstream Academies
Mr C Lewandowski	Trade Union Representative
Mr M Lewis	Local Authority Maintained Primary School
Mrs R Lloyd	Early Years Representative
Mr K Wright	Local Authority Maintained Primary School

**In attendance: Councillors CA Gandy and FM Norman**

**Officers: Chris Baird, Julie Davies and Mr Malcolm Green**

*In the absence of the outgoing chairman the clerk to the Schools Forum opened the meeting.*

**1. ELECTION OF CHAIRMAN**

**Resolved: that Mr A Evans be elected Chairman of the Forum for the ensuing year.**

*Mr A Evans, Chairman, in the chair.*

Mr Evans expressed his thanks to the outgoing chairman, Mrs J Rees, for her work noting her close partnership with the local authority and encouragement for schools to respond to consultations.

**2. ELECTION OF VICE-CHAIRMAN**

There were no nominations for vice-chairman of the forum.

**Resolved: that the role of vice-chairman be left vacant and the matter reconsidered at the next meeting of the schools forum.**

### 3. APOLOGIES FOR ABSENCE

Mrs S Bailey, Mr M Farmer, Mrs S Lines, Mrs J Rees, Mrs K Weston.

### 4. NAMED SUBSTITUTES (IF ANY)

None.

### 5. DECLARATIONS OF INTEREST

Mr Deneen and Mr Lewandowski declared an interest in item 9, Trade Union Facilities, as Trades Union representatives on the forum.

### 6. MINUTES

**Resolved: that the minutes of the meeting held on 7 July 2017 be approved as a correct record and signed by the chairman.**

### 7. ELECTION OF CHAIRMAN OF THE BUDGET WORKING GROUP

The chairman thanked the outgoing chairman, Mr N Griffiths, for his work.

**Resolved: that Mrs J Rees be elected chairman of the budget working group for the ensuing year.**

### 8. NATIONAL SCHOOL FUNDING FORMULA (Pages 7 - 8)

The schools finance manager (SFM) introduced the report. He reported that the final details of the national funding formula had been published. The government had announced an additional £1.3bn to fund the following changes to the original proposals:

- Basic per pupil funding increased
  - Primary from £2,712 to £2,747
  - Key Stage 3 from £3,797 to £3,863
  - Key Stage 4 from £4,312 to £4,386
- minimum per pupil funding (i.e. basic entitlement, additional needs and school led funding) is set at £4,600 for secondary and £3,300 for primary for 2018/19, all Herefordshire schools were already funded above these levels
- minimum per pupil funding increasing to £4,800 for secondary and £3,500 for primary for 2019/20
- minimum cash increase in respect of every school of at least 0.5% per pupil in 2018/19 and a further 0.5% in 2019/20.

The government had confirmed that there would be a soft transition to the national funding formula over two years.

A detailed comparison on a school by school basis had been circulated to all schools in Spotlight and was attached as appendix 2 to the report. Herefordshire would gain around 1% under the national formula.

It was reported that a poll of local authorities attending a national DfE conference showed half intended to implement the national funding formula for 2018/19 and the rest were seriously considering it.

The budget working group had met and discussed the options for Herefordshire for the 2018/19 budget. The group had felt that the only sensible option was to implement the national formula as far as funds allowed. Any deviation from the national formula would have to then be undone for 2019/20. The recommendations in the report reflected the views of the budget working group.

The high needs block and central services block would also be formula funded in 2018/19. The central services block would increase by 2.5% and the high needs block would increase by 2.9%.

The local authority had flexibility for 2018/19 to set the minimum funding guarantee at between 0% and -1.5%. However many authorities, including Herefordshire, were seeking to pass on the +0.5% per pupil increase to schools. In order to do this permission would be required from the secretary of state. The SFM therefore proposed an additional recommendation to the forum to support the application to the secretary of state. All Herefordshire schools would gain at least 0.5% per pupil, some would gain slightly more.

The DfE had not released any information on how the national formula would operate from April 2020 onwards.

The SFM reported that the high needs block continued to be under pressure. Many local authorities were overspending on their high needs block, some by considerable sums. A projected overspend of £300k on the Herefordshire high needs block for 2017/18 had been reported to the budget working group. The working group were very clear that action needed to be taken to address the projected overspend. The working group would receive further information at its meeting in November 2017 and the SFM confirmed that he would be bringing proposals to the forum in March 2018 in relation to high needs pressures.

Under the national funding formula the local authority could seek approval from the forum to transfer up to 0.5% from the schools funding block to high needs. The local authority did not intend to pursue this option for 2018/19 but might have to consider it for 2019/20 if other effective options to manage high needs cost pressures were not brought forward.

A consultation paper would be sent to all schools after October half term setting out the proposed approach. As there was no other business for the December forum meeting, the forum would review the response to the consultation in January 2018.

Mr Lewandowski presented a paper to the forum (appendix 1 to the minutes) on the impact of the area cost adjustment on Herefordshire compared with other authorities. In discussion of the paper the following points were made:

- that when Herefordshire Council had been created it was the third lowest funding authority nationally, since then it had moved a long way up the league table and its funding was consistent with its statistical neighbours;
- the local authority had worked hard to pass money to schools wherever possible;
- that the area cost adjustment was understood to be based on national data which excluded teacher's salaries;
- that the government was unlikely to change the national formula now but the authority would continue to make representations through the f40 group and through local MPs.

**Resolved that:**

- (a) Schools forum recommend that the council adopt the strategy proposed by the Budget Working Group as set out in (b), (c) and (d) below;**
- (b) the consultation on the 2018/19 budget should propose moving in the direction of the national funding formula, as far as funds allow, to prepare schools for the implementation of the 'hard' national formula; and**
- (c) the consultation letter make clear that no other sensible options could be found at this time.**
- (d) Schools forum consider the responses to the consultation with schools at its next meeting on 12 January 2018.**
- (e) Schools forum support an application to the Secretary of State for permission to set a minimum funding guarantee for 2018/19 of +0.5%.**

**9. TRADE UNION FACILITIES**

The HR services manager introduced the report. She highlighted the non-statutory advice published by the DfE in January 2014, after which a review of trade union facilities was undertaken. That review concluded that facility time payment would be standardised from September 2017 for all teaching trade union representatives. The trade union representatives were no longer employed by the local authority and were instead treated as self-employed.

The importance of transparency and efficient use of resources was noted. There was variation in the cost per pupil between local authorities which was in part due to economies of scale for larger authorities and difference in levels of service provided.

Current arrangements in Herefordshire comprised de-delegation for maintained primary schools and a service level agreement available for all other schools. The number of schools buying in to the SLA had been steadily falling.

The local authority proposed to reduce the cost per pupil from £3.50 to £2.90 for 2018/19. This would be included in consultation with schools after October half term. The budget working group would continue to examine ways to reduce the rate further for 2019/20 to include consideration of alternative models such as offering a basic service with specific additional work charged at a flat rate as needed.

The trade union representatives on the schools forum did not vote on the recommendations.

**Resolved that:**

- (a) schools forum provided its views on a de-delegated amount of £2.90 per pupil, effective from 1 April 2018, being formed on the basis of consultation with schools; and
- (b) the Budget Working Group be asked to provide a further report by June 2018 on the potential for a further reduction in 2019/20 on the cost per pupil.

## 10. **LOOKING TO THE FUTURE** (Verbal Report)

The schools finance manager provided an update on the outcome of work undertaken by the early years and high needs task and finish groups.

He reported that detailed proposals for spending the early years underspend were due to be presented to the cabinet member for young people and children's wellbeing for approval. The proposals had been developed through the early years strategic group and would primarily focus on speech and language support.

The work of the high needs task and finish group would inform discussion on measures to manage the pressure on the high needs budget. As previously noted, proposals would be considered by the budget working group and brought to the schools forum in March 2018.

In the discussion that followed it was noted that:

- the early years proposal would support employment of speech and language therapists to deal with the large backlog of assessments, experts would also work with schools and settings to build knowledge and expertise;
- there would also be an element of mental health training to support families and children;
- all local authorities were facing difficulties with demands on their high needs budgets, it was important to work as efficiently as possible and to work within the available funding;
- consultation would take place on any proposals to change high needs funding though the budget working group, if effective measures could not be identified then it might be necessary to re-establish the task and finish group;
- it was important that all schools were rigorous in ensuring appropriate financial support was in place based on the child's needs, this included removing funding where it was no longer required;
- outreach support would be one of the measures considered but funding would need to be identified

## 11. **WORK PROGRAMME**

The work programme was considered. No additional items were proposed.

## 12. **MEETING DATES**

It was noted that there were no items of business for the meeting scheduled for 1 December 2017 and it was proposed that this meeting be cancelled.

It was also noted that the March 2018 meeting had been moved to 16 March to avoid a clash.

**Resolved that:**

**The meeting of schools forum scheduled for 1 December 2017 be cancelled due to lack of business.**

The meeting ended at 10.28 am

**Chairman**

A Presentation to Herefordshire Schools Forum, 19<sup>th</sup> October 2017.

### How the National Funding Formula affects Herefordshire, A comparison with other Shire Counties.

Members may recall the comparison with other Shire authorities considering the effect of the Area Cost Adjustment upon Herefordshire in the previous version of the NFF.

In this new version of the NFF it states, "As confirmed following the first stage consultation, we will also apply an area cost adjustment to the formula to take account of the variation in costs between different parts of the country."

This is a different analysis for this version of the NFF, comparing the percentage increases in funding, over the baseline of 2017/8 figures for the same Shire authorities as the previous analysis.

#### Schools Block.

LA	% increase In 2018/9	% increase in 2019/20	% increase full implementation
Herefordshire	1.4	2.0	2.2
Gloucestershire	1.9	3.0	3.6
Warwickshire	2.1	3.4	3.8
Oxfordshire	2.0	2.8	3.0
West Sussex	3.0	5.6	6.5

## Combined NFF.

LA	% increase In 2018/9	% increase in 2019/20	% increase full implementation.
Herefordshire	1.6	2.2	2.4
Gloucestershire	1.8	2.7	3.2
Warwickshire	1.8	3.0	3.2
Oxfordshire	2.2	2.9	3.1
West Sussex	2.7	4.9	5.6

These figures clearly show that Herefordshire would seem to be penalised with lower percentage increases.

I will leave it to members to draw their own conclusions as to why this is happening.

However the first two thoughts that come to mind are:-

Herefordshire is being penalised with smaller percentage increases because it already receives proportionally more than its fair share of education funding and these lower increases will help to make the distribution of funding fairer.

OR

Herefordshire is being penalised with smaller percentage increases because the formula fails to sufficiently recognise that education in sparsely populated areas with a higher proportion of smaller rural schools are more expensive to fund.

OR ?

Chris Lewandowski, October 2017