

MINUTES of the meeting of Herefordshire Schools Forum held at Brockington, 35 Hafod Road, Hereford. HR1 1SH on Tuesday 29 September 2009 at 2.00 pm

Present: Mrs JS Powell (Chairman)
Mr NPJ Griffiths (Vice Chairman)

Mrs S Bailey, Mrs J Cecil, Mrs E Christopher, Mr J Docherty, Mr J Godfrey,
Mr M Harrisson, Rev. D Hyett, Mr S Pugh, Mrs A Pritchard, and Mr A Shaw

In attendance: Councillor WLS Bowen and PD Price

20. APOLOGIES FOR ABSENCE

Apologies for absence were received from Mr T Edwards, Mrs L Gibbs, Mrs A Jackson, Mr T Knapp, Ms T Kneale, Mr A Leech and Mrs L R Lloyd.

21. NAMED SUBSTITUTES (IF ANY)

Mrs L Gibbs substituted for Mr T Edwards.
Mrs P Lloyd substituted for Ms T Kneale.

22. DECLARATIONS OF INTEREST

There were no declarations of interest.

23. MINUTES

A Member referred to Minute no.19 regarding the revised constitution and was of the view that resolution (iv) to that Minute should include the words 'subject to re-election within Herefordshire Association of Secondary Headteachers'.

The Member also referred to the debate at that meeting regarding the inclusion within the membership of the Schools Forum of business school managers for primary and secondary schools. The Chairman agreed to include an item on the Agenda for the December meeting to consider the issue.

RESOLVED: That subject to the following amendment, the Minutes of the meeting held on 7 July 2009 be approved as a correct record and signed by the Chairman:

- (i) the words 'subject to re-election within Herefordshire Association of Secondary Headteachers' be added after the word office in resolution (iv) to Minute No.19.

24. LATE ITEMS/ANY OTHER BUSINESS

Constitution

The Forum agreed to consider a late item regarding the constitution.

The Democratic Services Officer reminded the meeting that the constitution indicates that one Member must represent a school with less than 60 pupils. The Primary Schools Association (PSA) had found it difficult to nominate a Headteacher in that category and had requested that the constitution be amended to enable a nomination for a school with less than 65 pupils. Also, the PSA had further requested that the constitution takes into account that one Headteacher can represent two schools.

RESOLVED: That the Schools Forum constitution be amended as follows:

- (i) **paragraph 9 be amended to enable 1 Member to represent a school with less than 65 pupils and that one Member can represent two schools providing the Member is Headteacher at both schools.**

25. BUDGET WORKING GROUP

The Finance Manager presented a report which requested the Forum to consider the recommendations from the Budget Working Group meeting held on 25 June 2009. He referred Members to the key considerations on pages 32 and 33 of the report that the Working Group had taken into account when reviewing the Schools Funding Formula. As a consequence, the recommendations of the Working Group were set out on page 31 of the report. He emphasised that the total amounts shown in the Key Points Summary which were being recommended for deletion were mainly very small sums with the exception of the £152,000 included in Dedicated Schools Grant for extended schools. The £152,000 was relatively small in comparison with the total grant funding available for extended schools in Standards Fund and Area Based Grants of £1.5 million. The Chairman asked if the £152,000 would go back into the pupil factor. The Finance Manager confirmed that it would. He informed the Forum that the Working Group would be considering the social deprivation factor at its next meeting. He reminded the Forum that within the formula was the Private Finance Initiative (PFI) factor which applied to Whitecross School. The PFI company was paid for the rent or lease of the school and the cost was shared between PFI credits, the Schools Budget and Council contribution. The Finance Manager reported that the contribution from the Schools Budget was considered by the Forum as part of the 2006/07 Budget.

A Member expressed concern that it was the Council's responsibility to pay its contribution from the Dedicated Schools Grant. The Director of Children's Services advised that it was normal practice to fund PFI payments through PFI credits and Council contribution.

The Finance Manager informed Members that he would set out the PFI costs for the next Budget Working Group meeting. He reminded the Forum that the Schools Forum had agreed the PFI budget contribution for Whitecross School in 2005 as part of the 2006/07 budget.

RESOLVED: That the Schools Forum approves the deletion of the following four factors from the funding formula for primary and high schools for 2010/11:

- (i) **Extended Schools**
- (ii) **Site Specific – Pre-fabrication buildings**
- (iii) **Site Specific – Exposed Location**
- (iv) **School Specific – Kitchens on Site**

26. SCHOOL BALANCES

The Finance Manager presented a report on School balances at the end of the financial year 2008/09. He referred Members to pages 36 and 37 of the report which gave details of the balances. He emphasised that Herefordshire balances had fallen from 12% in 2004/05 to 6.5% currently which was slightly more than the All England average. The £30,000 balance allowance for small schools rather than 5% was the factor which gave a slightly higher balance in percentage terms than other statistical neighbours. He highlighted that revenue balances had fallen by £194,000 but that capital balances had increased by £350,000. He stressed that even though balances had decreased, there was further work needed to further reduce the balances and that the Budget Working Group would be looking at how capital balances are being used and revenue transfers to capital by schools.

The Director of Children's Services informed the Forum that the Finance Manager had touched on an important strategic issue on Schools Funding. She suggested that the Budget Working Group should look at producing business plans for how money should be spent but that the Working group needed to be fully aware of all the issues when drafting such guidance.

RESOLVED: That the Schools Forum

- a note the decrease in school revenue balances of 0.4%;**
- b in particular notes the reduction in primary balances by £246,000 from 2007/08; and**
- c requests the Budget Working group to consider at its November meeting a further report on schools capital balances and spending plans with more detail on subsidies and linking retained funding with capital balance transfers.**

27. DEDICATED SCHOOLS GRANT

The Finance Manager presented a report which informed the Schools Forum of the final Dedicated Schools Grant (DSG) for 2009/10, the Outturn for 2008/09 and the rates rebates for the period 2000-2009. He referred to the Key considerations set out in paragraphs 4 A, B and C in the report. He informed the Forum that the final DSG received was £33,000 more than expected and that the amount would be carried forward into next year's budget. He emphasised that the DSG was a tighter settlement than the previous year and was less than inflation. He also emphasised that the DSG headline for 2010/11 was more generous and based on a 4.5% pupil increase which was equivalent to a cash increase of 3.7%. He referred to the Minimum Funding Guarantee which had increased and that the cost and breakdown by school was set out in the table on page 42. It was estimated to rise to £20 per pupil for 2010/11 which would be another pressure to be met. He made reference to the full budget Section 52 Statement set out in Appendix 1 to the report which detailed all Children's Services spending.

A Member referred to the additional £33,000 DSG money received and asked if this should be treated as allocation. The Finance Manager agreed that the money could be allocated to schools but that as pupil numbers were not finalised by the Department for Children, Schools and Families until the end on June 2009 there would be a small balance every year. He emphasised that although the balance could be allocated to schools this year, in future years if there was a deficit would Schools Forum want to recover this money from schools?

The Director of Children's Services advised that she would be content to allocate the money to schools. She further advised that if there were underspends at the end of the financial year and that although it was a small amount, the £33,000 would be carried forward to 2010/11 as required by DSG grant regulations.

The Chairman asked if the money could be used to cover a shortfall in this financial year. The Finance Manager advised that it was the intention to use the money for overspends on Banded Funding.

In answer to a Member's question on the Section 52 Budget Statement, the Finance Manager informed the Forum that the £879,202 budget for Pupil Referral Units shown at line 1.3.1 on page 47 had been split by Primary and Secondary pupils, although that amount currently was actually spent on secondary aged pupils in the Pupil Referral Units. He would ensure that the treatment on the Section 52 budget statement would be accurate for next year.

A Member welcomed the DSG underspend but expressed concern that the Management had not considered alternatives for the use of the DSG underspend. The Director of Children's Services advised that the suggestions in the report were provisional ideas and she had taken the view that it would be helpful for the Forum to look at these. She informed the Forum that if the underspend was allocated to schools it would be a one-off allocation. She further advised that the suggestions had been put forward for Governor support as a result of pressure from Governors. Business Plans were however needed for any suggestion.

The Assistant Director for Improvement and Inclusion referred to the DSG underspend at paragraph C on page 43 and informed Members that the £268,000 at paragraph C1 represented one additional child placement and was focussed at primary level. The Building Schools for the Future (BSF) money at C2 would enable a team to be put in place and be ready for the BSF programme.

The Assistant Director for Improvement and Inclusion made particular reference to the Governor Service Development, paragraph C5, in that a number of schools were struggling with governor support and management and the proposal outlined a business case to meet those issues. She advised that the list before the Forum was open and therefore could receive additions.

With regard to Schools ICT investment, the Director of Children's Services advised that paragraph C4 were suggestions only. She advised that ICT in schools was going to require new investment but that currently there was no new money.

A Member referred to the Virtual Learning Environment (VLE) and suggested that it was an important priority and needed to be provided. A Member took the view that money on ICT for schools was not well spent through ICT services but that it was not their fault. A Member suggested that the ICT suggestions in paragraph C4 would need to have the backing of a business case.

A Member was unaware of the anxiety from Governors with regard to Governor services. The Member asked for evidence.

The Director of Children's Services referred to discussions with Headteachers in their schools which had produced concerns about Governor Services. She advised that the majority of the money for Governor Service Development would be passported to schools. There were some schools, however, who were not able to do this alone. She informed the Forum that every decision had an effect on other areas and transparency

was paramount. She further advised that the Governor Service Development was an extension to existing management arrangements for Governors.

A Member was of the view that the Governor Service Development should be supported.

The Finance Manager informed Members of the reasons why rates rebates had been received for Aided schools and following a question from a member that because rates were funded at actual cost, the rebates belonged to all schools as a whole. This was confirmed by legal opinion. A Member took the view that it would not be sensible to put money back into schools through the Rates Rebates item at paragraph D, page 45. There were, however, some schools who were struggling financially so it would be a help to schools over a few years. A Member suggested that schools should have the choice of either having money in full in one year or spread over a number of years.

The Finance Manager advised that it was the intention to drip feed schools with the Rates Rebates money and to ask the Budget Working Group to develop a funding model for payment to schools.

RESOLVED: That

- (i) **Schools Forum notes the final DSG settlement and the increase of 2.6% in the Individual Schools Budget and that the under allocation of £33,000 be used to support special needs;**
- (ii) **the proposals for the use of the 2008/09 underspend (including the rates rebates) as set out in paragraph 16C be noted and ask Headteachers Forums for ideas and business plans for the next Schools Forum meeting; and**
- (iii) **the debate regarding the pump priming Governor Service Development in the sum of £70,000 be considered as a separate item, Minute No. 28 refers.**

28. DEVELOPING CAPACITY IN HEREFORDSHIRE GOVERNOR SERVICES

The Assistant Director for Improvement and Inclusion presented a report which requested a one-off funding allocation for the development of Governor support and training resources to meet the demands of the current academic year. She informed Members that the proposals intended to build on the Governors Support team and would strengthen the position when the Service Level Agreement (SLA) was agreed.

A Member asked what the take up was on Governor training. The Assistant Director for Improvement and Inclusion informed the Forum that the training was well attended and at the last training meeting over 50 Governors attended.

A Member asked that should a person be appointed to a new post, could a person be appointed from redundancies in the system. The Assistant Director for Improvement and Inclusion advised that such an appointment would be someone who would be fit for the job.

RESOLVED: That the Schools Forum approves as a one-off payment the funding request of £70,000 from DSG underspend 08/09 to facilitate the improvement of governor services as outlined in the report until the SLA is in place for April 2010.

29. WORK PROGRAMME 2009/10

The Forum considered the Work Programme for 2009/10.

RESOLVED: That the Work Programme for 2009/10 be amended as follows:

- (i) the deletion of the Section 52 Budget Statement, the Schools Library Service and Early Years Funding Formula from the December meeting;**
- (ii) the inclusion of a report from the Budget Working Group and also a report on Dedicated Schools Grant Underspend Cases including feedback from the Herefordshire Schools Task Group at the December meeting; and**
- (iii) items for the January meeting will be**
 - Early Years Funding Formula**
 - Schools Budgets**
 - Extended Schools**

The meeting ended at Time Not Specified

CHAIRMAN