

MINUTES of the meeting of Herefordshire Schools Forum held at The Council Chamber, Brockington, 35 Hafod Road, Hereford HR1 1SH on Monday 12 October 2009 at 2.00 pm

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

Mrs S Bailey, Mrs S Catlow-Hawkins, Mrs J Cecil, Mr J Docherty, Mr T Edwards, Mr J Godfrey, Rev. D Hyett, Mr M Harrisson, Mrs A Jackson, Mrs T Kneale, Mr T Leach, Mrs A Pritchard, Mr S Pugh, Mr A Shaw and Mrs S Woodrow

In attendance: Councillor PD Price

30. APOLOGIES FOR ABSENCE

Apologies for absence were received from Mrs E Christopher and Mrs R Lloyd.

31. NAMED SUBSTITUTES (IF ANY)

There were no named substitutes.

32. DECLARATIONS OF INTEREST

There were no declarations of interest.

33. MINUTES

The Forum was informed that Mrs S Catlow-Hawkins and Mr P Box should be added to those present at the meeting.

A Member referred to Minute No. 24 regarding the constitution and was of the view that the Forum did not decide to increase the small school representation pupil number and did not agree to one Headteacher representing two schools.

The Chairman informed the Forum that an item would be added to the agenda for the next Forum meeting to reconsider the issues regarding the small school pupil number and to one Headteacher representing two schools.

RESOLVED: That

- (i) subject to the addition of Mr P Box and Mrs S Catlow-Hawkins to those present at the meeting, the Minutes of the meeting held on the 29 September 2009 be approved as a correct record and signed by the Chairman; and
- (ii) an item be included on the agenda of the next Forum meeting to consider amendments to the constitution relating to the small school representation number from 60 to 65 pupils and to the representation of two schools by one Headteacher.

34. LATE ITEMS/ANY OTHER BUSINESS

There were no late items or any other business.

35. HEREFORDSHIRE SCHOOLS TASK GROUP INTERIM REPORT - CONSULTATION PAPER (Pages 1 - 12)

The Director of Children's Services presented the Herefordshire Schools Task Group Interim Report on the way forward for the planning of Herefordshire provision of Schools. She reminded the Forum that the Schools Task Group was established following agreement of Cabinet Members, Headteachers and Chairs of Governors. The Task group comprising School Headteachers, Governor representatives, local officers with an independent Chair had produced the consultation document. She referred to discussions at the last Forum meeting regarding the effect on schools finance that the reduced Dedicated Schools Grant (DSG) settlement would have and that after discussion with the Chairman and Vice-Chairman of the Forum it was decided that the Forum should consider the consultation document. The views of the Forum would then be fed back to the Task Group.

The Director introduced Lyn Wright, Independent Consultant, who had presented a finance report to the July Forum meeting and had been invited to the meeting to discuss with Members the implications of falling school rolls and the consequential reduction in schools funding.

The Consultant circulated the following documents to Members at the meeting and are attached to these Minutes:

- (i) Herefordshire School Funding – Appendix 1
- (ii) Annual Decrease in Pupil Numbers Illustrating the Cumulative Effect - Appendix 2
- (iii) Pupil Numbers in Primary and Secondary Schools - Appendix 3
- (iv) Primary Schools Falling Numbers on Rolls - Appendix 4
- (v) Analysis of School Budget Per Pupil - Appendix 5
- (vi) Example of the Merging of Schools - Appendix 6

The Consultant referred to paragraph 1 of Appendix 1 regarding the DSG which was the main source of income to the schools budget which could be used for no other purpose. She drew Members attention to paragraph 3 which set out the decreasing pupil numbers over the last three years and the reduction in DSG funding over those years as a consequence. In referring to Appendix 2, Annual Decrease in Pupil Numbers Illustrating the Cumulative Effect, she highlighted the actual decreasing pupil numbers from 2006/07 to 2008/09 together with the projected reduction numbers from 2009/10 to 2010/2011 and the corresponding reduction in DSG.

The Forum noted that the figure set out in the penultimate line of Appendix 3 should read 1911.

The Consultant informed Members that Appendix 3 set out the primary and secondary reduction in pupil numbers at their peak to the current point in time amounting to 2,675 in total. Both peaks were underlined in Appendix 3. It was, in percentage terms, a reduction

of 12 percent. She also informed the Forum that three small schools had closed during that period. She informed Members that as at January 2009, there was a surplus of 17.6 per cent primary school capacity with secondary school capacity being at 9.5 per cent. The increase in surplus primary school capacity was slowing down but the increase in surplus secondary capacity was still on the rise which emphasised that the current issues and difficulties with schools funding will continue.

In answer to a Member's question, the Consultant informed Members that in some areas of the county some schools were losing pupils whereas some were gaining. She was concerned, however, that those pupils who had been lost would not come back to those schools in Herefordshire which meant that funding would be lost.

The Consultant referred to Appendix 4, Primary Schools Falling Numbers on Rolls, which illustrated in more detail the changes in school rolls. The figures were factual and had been taken from existing schools but the schools were not named. Three different size schools chosen at random were set out in the first part of the Appendix and all were losing pupils. The Appendix showed that if admissions continued at the same level as the September 2009 intake, then the schools would be significantly smaller in 2015 than they were in 2008.

In referring to Appendix 5, Analysis of School Budget Per Pupil, the Consultant informed the Forum that the Appendix illustrated the variation in budget per pupil for a range of primary and secondary schools from 2005/06 to 2009/10. Although the average total budget increase per pupil over those years was slightly over 30 per cent for all primary and secondary schools, changes in pupil numbers determined that the smaller schools received more than average per pupil funding whilst the larger schools received less. She further emphasised that this meant in general terms that all schools were paying for losses in Herefordshire.

The Consultant was of the view that all pupils in Herefordshire should have an equal entitlement to education but that this was not happening due to the way funds were allocated. She added that due to the fact that there was not enough funding for schools, any formula funding review would not solve the lack of money but merely redistribute the same inadequate amount.

The Consultant advised that to achieve a suitable response to the Task Group Interim Report, the Forum needed to look at the issues head on. She drew Members' attention to paragraph 6 in Appendix 1 which she considered was a way forward and which suggested that a strategic evaluation of existing provision was required in order to achieve the most effective use of resources available. This could be achieved by reducing levels of funding currently maintaining individual premises (which were receiving various forms of protection) thereby increasing funding to directly support teaching and learning in schools.

The Chairman made the point that as well as the Schools Forum, everyone in Herefordshire education has to address the issues facing Schools.

The Consultant agreed that Heads of Governors, Headteachers and the Council had to collectively find a solution. She reminded Members that 69 schools were receiving protection and that some were struggling financially. She emphasised that more funding would not be coming from central government. The Director of Children's Services advised that it was an issue for every school whether the school was small or large.

The Vice-Chairman was of the view that the Forum should frame its approach by stating that it would endeavour to find a solution to achieve a student's entitlement to funding and that would put in the discipline that the Forum would need.

A Member referred to the 2675 children that had already been lost from schools which amounted to £4.5 million in lost funding and that this needed to be spelt out to all concerned as that fact alone was more hard hitting than the Interim Report.

In answer to a Member's question, the Director of Children's Services advised that when the formal consultation period ended on 2 November 2009, Cabinet would consider the responses and key messages. If the messages agree with the consultation papers then the officers would act on the papers.

A Member suggested that the Forum should support the fact that the funding issue was a problem and, in accepting that fact, that there was a need to set about achieving a strategic evaluation.

It was suggested by a Member that a consultant could be engaged to develop a plan to sustain schools in view of the funding situation. The Director of Children's Services acknowledged that some authorities had brought in a consultancy to decide how and which schools would be affected. She emphasised that whether an outside body or Herefordshire Council carries out this work would not alter the issues facing schools and that one way or another the issues would have to be dealt with.

The Consultant advised that cluster groups needed to realise the current funding issues facing all schools and that one way to engage them would be to present to them the facts that had been set out before the Forum and that would get the underlying messages across.

A Member referred to the lack of any mention of Early Years in the Interim Report. The Member took the view that Early Years was affected by the issues and should be included in clusters.

In response to a request by Members, Lyn Wright agreed to circulate to Members electronic copies of the Appendices circulated at the meeting.

RESOLVED: That the Forum

- (i) agrees with the emphasis in paragraph 6 of Appendix 1 that the current status quo in terms of numbers of settings cannot continue in schools and that a strategic evaluation of existing provision is required in order to achieve the most effective use of resources available, by reducing levels of funding currently maintaining individual premises in various forms of protection and by increasing funding to directly support teaching and learning in schools;**
- (ii) endorses the need for a clear strategy for the way forward and the need for change;**
- (iii) agrees that the Primary Schools Association and the Herefordshire Association of Secondary Headteachers should be made fully aware of the current financial implications affecting schools;**
- (iv) acknowledges that some school closures will take place as a consequence of a sustainable future schools strategy and that an outside consultancy may well be employed to develop such a strategy;**
- (v) will look to outside agencies to support school clusters to develop and put forward viable solutions for schools;**

- (vi) will request the Task Group to amend the Interim Report to include Early Years and that Early Years be included in the clusters; and**
- (vii) agrees that the Chairman responds by letter to the Task Group setting out the views of the Forum as expressed in (i) to (vi) above.**

The meeting ended at 3.55 pm

CHAIRMAN

HEREFORDSHIRE SCHOOL FUNDING

1. The Dedicated Schools Grant (DSG) from central government is paid as a ring-fenced specific grant and must be used in support of the Schools Budget. It is the main source of income for the Schools Budget and can be used for no other purpose. It is based upon a per pupil formula using the January School Census data.
2. National funding reflects factors such as deprivation which affect urban and rural areas in different ways. The county has one of the lowest funding levels of the nationally distributed DSG at an overall ranking of 147 out of 149.
3. Pupil numbers in the county are decreasing annually.

Year	Status	Pupil Reduction	Amount per pupil £	DSG Reduction £
06/07 - 07/08	Actual	278	3,523	979,394
07/08 - 08/09	Actual	326	3,687	1,201,962
08/09 - 09/10	Actual	342	3,830	1,309,860

The total reduction in pupils over the period is 946 and the DSG reduction is cumulative. So in this financial year, if the pupil numbers had remained at 2006-7 levels, the authority would have had £3,623,180 additional funding.

4. The total small schools protection element in 2008-9 was £958,609.
 - i. 69 schools receive some form of protection
 - ii. In Primary Schools it is £109.80 per pupil below 200 on roll (63 schools).
 - iii. In High Schools it is £215.35 per pupil below 655 on roll (6 schools).
5. Every school receives a fixed base allocation for management and premises as shown below :

	Primary	Secondary	Special
2008-9	29,292	13,681	11,876
2009-10	30,083	14,051	12,196

6. Maintaining the status quo in terms of numbers of settings means that every school in the authority has reduced levels of funding and overall pupil entitlement is compromised in relation to that of other authorities. A strategic evaluation of existing provision is required in order to achieve the most effective use of resources available, by reducing levels of funding currently maintaining individual premises in various forms of protection and by increasing funding to directly support teaching and learning in schools. It is evident that any school reorganisation producing fewer schools will result in a combination of savings including fixed costs for individual premises and the small schools protection element. All remaining schools will benefit from these savings as they will stay within the ISB for redistribution via the funding formula across a smaller number of schools.

**Annual decrease in pupil numbers illustrating the cumulative effect
(2006-7 to 2010-11)**

Year	Status	Pupil Reduction	Amount per pupil £	In year reduction in DSG £	Cumulative pupil reduction	Cumulative reduction in DSG
06/07 - 07/08	Actual	278	3,523	979,394		
07/08 - 08/09	Actual	326	3,687	1,201,962	604	2,226,948
08/09 - 09/10	Actual	342	3,830	1,309,860	946	3,623,180
09/10 - 10/11	Projected	197	4,002	788,394	1,143	4,574,286

- The total reduction in pupils over the period where actual figures are available is 946.
- If the pupil numbers had remained at 2006-7 levels, the authority would have had £3,623,180 additional funding.
- If we use available projections for one year, the amount becomes £4,574,286.

Pupil numbers in Primary and Secondary schools

APPENDIX

Data extracted from Section 52 Budgets submitted to DCSF - Table 2

Year	Primary incl Nursery	High incl 6th Forms	Total
Actuals			
98/99	14,230	9,226	23,456
99/00	14,217	9,324	23,541
00/01	14,121	9,615	23,736
01/02	13,943	9,956	23,899
02/03	13,728	10,201	23,929
03/04	13,453	10,435	23,888
04/05	13,461	10,494	23,955
05/06	13,394	10,511	23,905
06/07	12,764	10,420	23,184
07/08	12,584	10,147	22,731
08/09	12,418	9,976	22,394
09/10	12,319	9,747	22,066

* Decrease in pupil numbers since peak for primary schools in 98/99 is **191** **1191**

* Decrease in pupil numbers since peak for high schools in 05/06 is **764**

**PRIMARY SCHOOLS
FALLING NOR**

APPENDIX 4

	Jan 08 NOR (excl NC)	January 2009 NOR						Estimated NOR in Sep 09 or Jan-10	REDUCTION IN NOR			Reduction in funding over two years x £2,200 per pupil		
		Yr R	1	2	3	4	5		6	TOTAL	(act) Jan 08 to Jan-09		(est) Jan 09 to Jan-10	(est) over 2 yrs
School A	67	7	8	10	10	7	4	11	57	53	-10	-4	-14	-30,800
School B	153	12	13	13	22	23	15	24	122	110	-31	-12	-43	-94,600
School C	282	23	26	40	42	30	46	40	247	227	-35	-20	-55	-121,000

Assuming admissions continue at same level as Sept 09 intake:

~	Est Jan 11	Est Jan 12	Est Jan 13	Est Jan 14	Est Jan 15
School A	56	56	53	50	49
School B	107	96	86	85	84
School C	204	197	178	161	158

Dated: 1.6.09

Analysis of School Budgets per pupil 2005/06 to 2009/10
 All data based on Table 2 Section 52 as submitted to DCSF

School	Year	Pupil number	Budget/pupil £	Budget £000	% Increase in Budget/pupil	£ Four year Average
Primary Schools						
School A	05/06 09/10	156 98	2,327 3,725	363 365	60.08%	172
School B	05/06 09/10	91 65	2,636 3,795	240 247	43.97%	89
School C	05/06 09/10	65 48	2,752 3,948	179 190	43.46%	89
School D	05/06 09/10	507 554	2,279 2,790	1,156 1,544	22.42%	-46
School E	05/06 09/10	416 433	2,097 2,631	872 1,139	25.46%	-26
School F	05/06 09/10	209 201	2,151 2,741	450 551	27.43%	-17
All Primary School Average	05/06 09/10	13148 12319	2,415 3,151	31,748 38,812	30.48%	0
High Schools						
School G	05/06 09/10	376 310	3,227 4,332	1,213 1,343	34.24%	20
School H	05/06 09/10	1093 1196	3,102 4,009	3,391 4,795	29.24%	-20
All High School Average	05/06 09/10	10511 9054	3,031 3,993	31,862 36,152	31.74%	0

SMALL SCHOOLS

	BUDGET PER SCHOOL			PER PUPIL		
	Existing school X 60	Existing school Y 120	Merged school Z 180	Existing school X 60	Existing school Y 120	Merged school Z 180
Number of Pupils						
Fixed - base allocation	£ 32,817	£ 32,817	£ 32,817	£ 547	£ 273	£ 182
Fixed - pupil funded	37,183	37,183	37,183	620	310	207
Total Allocation for fixed costs	70,000	70,000	70,000	1,167	583	389
Teacher sals EXCL HEAD	98,880	173,040	231,750	1,648	1,442	1,288
Resources	38,120	93,960	178,250	635	783	990
TOTAL	207,000	337,000	480,000	3,450	2,808	2,667

<i>difference</i>
increased spending power of: 46,170
savings of: 64,000

⇒ Assumed teachers EXCL HD

Assumed cost of teachers in 07/08 EXCL HEAD = £30,900

PUPIL TEACHER RATIOS (including head)	
Number of fte teachers =	
4.2	6.6
Therefore PTR =	
1:14	1:18
	1:21

SUMMARY

Result of merging a 60 pupil primary & a 120 pupil primary to become merged school for 180 pupils:

Savings of (formula allocation)	£ 64,000	<i>per pupil</i> £ 356
Increased spending power of	46,170	257
TOTAL =	110,170	612

APPENDIX 6

March 2009

