

**MINUTES of the meeting of Herefordshire Schools Forum held at Council Chamber, Brockington, 35 Hafod Road, Hereford HR1 1SH on Monday 31 January 2011 at 1.00 pm**

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

Mr JA Chapman, Mr P Burbidge, Mrs S Catlow-Hawkins, Mr N O'Neil, Mr S Woodrow, Mr S Pugh, Rev. D Hyett, Mrs J Cecil, Mr P Box, Mr S Matthews, Ms T Kneale, Mrs J Baker, Mr TE Edwards, Mrs S Bailey, Mr J Docherty, Ms A Pritchard, Mr M Harrisson, Mr J Godfrey, Mr A Shaw, Mrs A Jackson, Mr P Barns, Dr M Goodman Mrs K Rooke and Mr J Sheppard.

**In attendance:** Councillors PD Price and WLS Bowen

**41. APOLOGIES FOR ABSENCE**

Apologies were received from Mrs A Jackson.

**42. NAMED SUBSTITUTES**

There were none.

**43. DECLARATIONS OF INTEREST**

Mr M Harrisson, Teachers Trade Union Representative, declared an interest in agenda item 9 : Trade Union Facilities.

**44. CHAIRMAN'S ANNOUNCEMENTS**

**Appointment of new Interim Director of Children's Services**

The Chairman welcomed Mrs Jo Davidson, newly appointed interim Director of Children's Services.

**Direct Revenue Finance**

The Chairman asked whether it was possible for the deadline by which schools had to seek approval for transferring resources from a revenue budget to a capital budget to be extended, given that the late budget settlement meant that schools had not yet received their indicative revenue budgets for 2011/12.

The Schools Finance Manager commented that it would be possible to exercise some flexibility. However, he emphasised that revenue funding should only be transferred to capital to support a planned capital scheme.

He added that schools were able to request permission to retain higher revenue balances. The Department for Education had indicated that it intended to remove the provisions for clawback of surplus school revenue balances for 2011/12. In these circumstances it was proposed to consider requests favourably. The interim Director confirmed that that would be her intention.

The Schools Finance Manager agreed to inform schools of the position.

#### **45. MINUTES**

**RESOLVED: That the Minutes of the meeting held on 3 December 2010 be confirmed as a correct record and signed by the Chairman.**

#### **46. DEDICATED SCHOOLS GRANT 2011/12 - BUDGET CONSULTATION**

The Forum considered a budget consultation paper which explained the budget options for the 2011/12 Dedicated Schools Grant and sought the views of schools prior to the finalisation of the budget at the Forum meeting on 2 March 2011.

The Chairman explained that it was proposed that the Forum should at this stage confine discussion to the content of the consultation document to ensure that it was complete and comprehensive. Detailed discussion of the proposals would take place at the next meeting informed by the responses to the consultation exercise.

The Schools Finance Manager presented the report. He highlighted key aspects of the report including the Council's overall financial position, the Children and Young People's Directorate's budget and the schools budget.

In summary, the Dedicated Schools Grant (DSG) faced a shortfall of £1.5 m due to falling rolls and a number of increased cost pressures as set out in the consultation document. Proposed reductions in school budgets of £1.045m and reductions in non-school budgets of £0.562m (an overall total of £1.607m of reductions) had been identified by the School Forum's Budget Working Group and were described in the consultation document.

It was noted that draft school budgets could not be prepared until mid-late February when pupil numbers, on which the final calculations of budgets would be based, were available from the January pupil census. The proposed budget reductions did not provide much leeway in meeting the DSG shortfall and there was a possibility they might not prove sufficient when the pupil numbers were confirmed. Final school budgets would be calculated after School Forum's meeting on 2 March and distributed to schools in mid-late March after the budget had received Council approval.

The Schools Finance Manager informed the Forum that the Budget Working Group had met on 28 January and proposed a number of amendments and additions to the wording of the consultation document. In the main these provided clarification and did not affect the substance of the consultation document. The Forum noted the proposed amendments and additions outlined to them.

He also commented on the consultation timetable, noting that it would not be possible to issue draft budgets this year because of the lateness of the settlement from the Department for Education. Budgets would be issued to schools in mid-late March.

In discussion the following principal points were made:

- In relation to proposed reductions in budgets for Early Years training and Private, Voluntary and Independent (PVI) nursery funding it was noted that there was no representation from the PVI sector on the Budget Working Group. However, there were Head Teachers on the Working Group with nursery provision at their schools. The Early Years General Inspector had been consulted on the proposals considered

by the Budget Working Group and their implications. The aim had been to try to share reductions fairly across all services.

- It was confirmed that the proposed reduction in SEN banded funding would place a ceiling on the amount available to each applicant.
- That the consultation document should include a glossary of acronyms used within it.
- That the description of the proposed reductions should be consistent throughout the consultation document, including the response form.
- Charts were appended to the consultation document showing the impact on individual school budgets. The Schools Finance Manager agreed to check the figures relating to the percentage change between budgets pre-reductions, to budgets post reductions including pupil premium, and clarify the consultation document as appropriate.

The Chairman thanked the Budget Working Group and Officers for the work they had put in to address the challenging financial position. She urged Members of the Forum to encourage colleagues to respond to the consultation exercise and, if they did not like the proposals, to suggest viable alternatives.

#### **RESOLVED:**

- THAT**
- (a) the Forum's comments on the draft budget consultation paper for the Dedicated Schools Grant 2011/12 be noted and the consultation paper amended accordingly;**
  - (b) the consultation paper, as amended, be approved for distribution to schools; and**
  - (c) the budget process and timeline as set out in the consultation paper be agreed, i.e. briefing for all schools on 3 February; individual response form to be returned by 11 February; Budget Working Group on 17 February to consider responses and prepare final budget proposals; and the Schools Forum to consider the final budget proposals on 2 March and recommend final budget proposals to the Cabinet Member for ICT, Education and Achievement.**

#### **47. SERVICE LEVEL AGREEMENTS FOR 2011/12**

The Forum received an update on the steps being taken to establish service level agreements (SLAs) for 2011/12.

The Assistant Director: Improvement and Inclusion presented the report.

In discussion the following principal points were made:

- The Assistant Director confirmed that consideration could be given to the provision of services to non-school bodies.
- Clarification was sought on the SLA for Governor Services noting that the Forum had approved the allocation of pump priming funding to enhance the service. The Assistant Director stated that the pump priming funding had been used in 2010/11 to support service development. The SLA would apply to service provision from 2011/12 onwards.

- Schools becoming academies had indicated that they would wish to purchase services from the local authority as long as the services were of the required quality, offered at an appropriate cost and met the customer's needs. Assurance was sought that there was no truth in the rumour that academies would be charged more than other schools for the same services.

The Assistant Director commented that charges to all schools in the SLAs would have to cover the full cost of the service, some services having been subsidised for schools by the Council over a number of years. It was possible that there would be an additional charge for services to any school that sought to purchase services part way through a financial year rather than at the beginning of a financial year.

- That it would be helpful if the breakdown of the take up of services described in the report could be expanded to show the take up by each school sector.

**RESOLVED: That the Forum's comments and suggestions on the progress being made to establish a comprehensive range of SLAs be noted.**

#### **48. ALTERNATIVE MODELS TO MEET THE REQUIREMENT FOR 25 HOURS PUPIL REFERRAL UNIT PROVISION**

The Forum considered a range of options for funding the requirement to provide pupils at Pupil Referral Units (PRUs) with the statutory 25 hours of provision.

The Head of Additional Needs presented the report. The White Paper: "The Importance of Teaching" had potential implications for the funding of PRUs and he therefore proposed that the existing funding arrangements should be continued until August 2011, pending a review by the Forum in June once further detail was available on the Government's plans for PRU funding. The report set out a number of alternative options for consideration if this course was not satisfactory to the Forum.

The Schools Finance Manager commented that the provision in 2010/11 had been funded from an underspend in the Dedicated Schools Grant. It could not be guaranteed that there would be an underspend this year and budget provision should be made for 2011/12. Additional expenditure on statutory teaching hours in PRUs for those with behavioural, social and emotional difficulties and those with medical needs was included in the list of cost pressures contained in the budget consultation document, the subject an earlier item on the agenda (minute no 46 refers).

The Assistant Director: Improvement and Inclusion added that an application had been made by the Council to pilot the proposals in the legislation arising from the White Paper in which case the proposed national funding model for PRUs would have to be followed.

In the course of discussion the following principal points were made:

- It was noted that there was no consensus within Herefordshire Association of Secondary Headteachers (HASH) on the funding model they would wish to see. There was, however, agreement that it should be recognised that the costs of PRU provision should be viewed as a cost incurred by the individual young person, rather than by an individual school, because the pupil could have passed through a number of schools before referral to a PRU.
- That there were alternative ways of funding the PRU provision. Given the identification of the funding as a cost pressure in the budget consultation document, further consideration should be given to the issue by the Forum in March when the responses to the budget consultation exercise would also be considered.

- That it would be helpful to HASH in giving further consideration to the issue if a detailed breakdown on the usage by schools of the PRU service could be provided. It was requested that HASH should report their views on funding to the Forum's next meeting.

**RESOLVED: That consideration of the funding of the requirement to provide pupils at Pupil Referral Units (PRUs) with the statutory 25 hours of provision be deferred until the next meeting.**

#### **49. TRADE UNION FACILITIES**

The Forum considered the provision of Trade Union facilities.

The Assistant Director: Improvement and Inclusion presented the report. This stated that a review had determined that the current arrangements were inadequate. The budget did not cover the arrangements provided for in the existing agreement with the Trade Unions, negotiated in 1998, and did not meet statutory requirements. It was proposed to increase the annual budget for Trade Union facilities by £41,500 to £73,500. This was identified in the list of cost pressures contained in the budget consultation document, the subject of an earlier item on the agenda (minute no 46 refers).

In discussion, the statutory role of the Trade Union representatives in undertaking health and safety visits was considered, noting that the requirement to undertake this activity contributed to the increased costs. Clarification was requested on this statutory provision and the way it was being met, the extent of any discretion to vary the level of provision and whether there was a statutory minimum, and the extent to which schools had to have regard to the findings of such inspections, taking account also of any interrelationship with OFSTED reports and their review of health and safety issues in schools.

It was also observed that in responding to the budget consultation document there was the opportunity to comment on the cost pressures identified in that document.

**RESOLVED: That consideration of the funding of Trade Union Facilities be deferred until the next meeting, with a further report to be submitted taking account of comments made by the Forum and containing more detail in particular on the statutory requirements in relation to health and safety visits to schools by Trade Union representatives.**

#### **50. FUTURE PROVISION OF INTERNAL AUDIT SERVICES**

The Forum was informed of arrangements for the future provision of internal audit services to schools.

The Chief Internal Auditor presented the report. It was noted that internal audit services was one of a number of services that would form part of the Shared Services programme developed by the Council, NHS Herefordshire and Hereford Hospitals NHS Trust. The future delivery of all those services within the programme would change. A further report on Shared Services would be made to the Forum.

**RESOLVED: That the arrangements for the future provision of internal audit services be noted.**

#### **51. LATE ITEMS/ANY OTHER BUSINESS**

There were none.

**52. WORK PROGRAMME**

The Forum considered its work programme.

It was agreed that the work programme should be updated to include the following:

**March 2011**

- 25 Hours Pupil Referral Unit Provision
- Trade Union Facilities
- An update on Shared Services
- Changes to School Funding Regulations

**September 2011**

- Pupil Referral Unit Funding
- Education Act 2011

**53. DATE OF NEXT MEETING**

The Forum noted that the next meeting was scheduled to be held at 9.30 am on Wednesday 2 March 2011.

The meeting ended at 2.32 pm

**CHAIRMAN**