

AGENDA

Herefordshire Schools Forum

Date: **Thursday 8 December 2011**

Time: **9.30 am**

Place: **Council Chamber, Brockington, 35 Hafod Road,
Hereford HR1 1SH**

Notes: Please note the **time, date** and **venue** of the meeting.

For any further information please contact:

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Agenda for the Meeting of the Herefordshire Schools Forum

Membership

Chairman	Ms T Kneale	
Vice-Chairman	Mr NPJ Griffiths	
	Mr A Teale	Voluntary Aided Primary School
	Mrs K Rooke	Special Schools Governor
	Mrs JS Powell	Primary School Headteacher(Community)
	Mr J A Chapman	Church of England
	Mr P Burbidge	Roman Catholic Church
	Mrs S Catlow-Hawkins	Secondary Schools Headteacher (Voluntary Aided)
	Mr N O'Neil	Secondary Schools (Community)
	Mrs S Woodrow	Secondary Schools
	Mr S Pugh	Primary Schools Headteacher (Community)
	Mrs J Cecil	Primary Schools Headteacher (Voluntary Controlled)
	Mr P Box	Primary Schools
	Mr S Matthews	Primary Headteachers Small Schools
	Mrs J Baker	Secondary School Governor
	Mr T Edwards	Primary School Governor
	Mrs S Bailey	Special Schools
	Mr J Docherty	Secondary Schools
	Mrs A Pritchard	Teaching Staff Representative
	Mr M Harrisson	Teacher Representative
	Mr J Godfrey	14-19 Representative
	Mr A Shaw	14-19 Representatives
	Mrs A Jackson	Early Years Representative
	Mrs R Lloyd	Early Years
	Mr P Barns	Pupil Referral Unit
	Dr M Goodman	Secondary Headteachers
	Mr J Sheppard	Hereford Academies

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A prejudicial interest would include the situation whereby a proposal uniquely affects either a school at which they are a head teacher/governor or which their children attend.

Any member who requires advice/guidance concerning declarations of interest or any other issue concerning the Forum should contact the Clerk in the first instance on telephone number 01432 260248

AGENDA

		Pages
1.	APOLOGIES FOR ABSENCE To receive apologies for absence.	
2.	NAMED SUBSTITUTES (IF ANY) To receive any details of Members nominated to attend the meeting in place of a Member of the Forum.	
3.	DECLARATIONS OF INTEREST To receive any declarations of interest by Members in respect of items on the Agenda.	
4.	CHAIRMAN'S ANNOUNCEMENTS To receive any announcements from the Chairman.	
5.	MINUTES To approve and sign the minutes of the meeting held on 23rd September, 2011	1 - 6
6.	PRESENTATION ON NATIONAL SCHOOL FUNDING FORMULA. To receive a presentation on the consultation highlights from the DfE at the National School Funding conference York on 23rd November, 2011.	
7.	REPORT OF THE BUDGET WORKING GROUP To consider a report from the Budget Working Group. To Follow	
8.	SCHOOLS CAPITAL INVESTMENT PROGRAMME To consider a report about the investment programme for Herefordshire schools in 2011/12 and to provide an update on the Government review of schools capital and possible implications for Herefordshire.	7 - 12
9.	REVIEW OF IN YEAR FAIR ACCESS PLACEMENT PANEL AND FUNDING IMPLICATIONS FOR SCHOOLS To consider a report on the activity of the In Year Fair Access Placement Panel in 2010/11 and the resulting funding implications for schools.	13 - 22
10.	SCHOOLS INSURANCE To provide an update on schools insurance for 2011/12 and potential changes to the 2012/13 offer.	23 - 26
11.	WORK PROGRAMME To consider the work programme of the Forum for the remainder of 2011/2012.	27 - 28
12.	LATE ITEMS/ANY OTHER BUSINESS To consider any issues raised as either a late item or any other business.	

13. FORTHCOMING MEETINGS

20 January 2012

24 February 2012

12 March 2012

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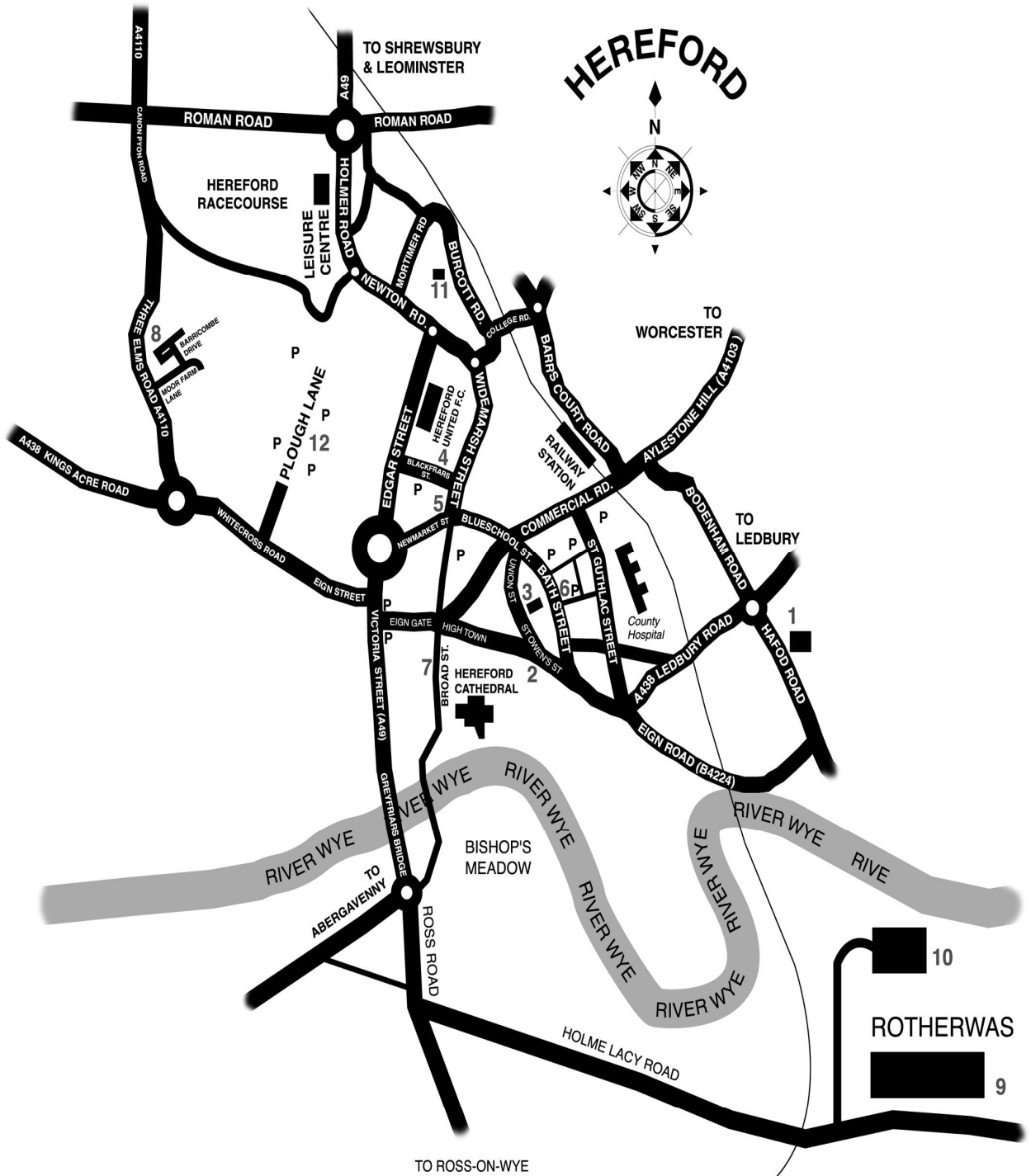
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HEREFORDSHIRE COUNCIL

BROCKINGTON, 35 HAFOD ROAD, HEREFORD.

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HEREFORDSHIRE COUNCIL

MINUTES of the meeting of Herefordshire Schools Forum held at Council Chamber, Brockington, 35 Hafod Road, Hereford HR1 1SH on Friday 23 September 2011 at 9.30 am

Present: Ms T Kneale (Chairman)
Mr NPJ Griffiths (Vice Chairman)

Mrs K. Rooke, Mr JA Chapman, Mr S Woodrow, Mr P Box, Mr TE Edwards, Mrs S Bailey, Mr J Docherty, Ms A Pritchard, Mr A Shaw, Mrs A Jackson, Mrs R Lloyd, Mr P Barns and Dr M Goodman and Mr J Sheppard.

In attendance: Councillor PD Price – Cabinet Member Corporate Services and Education

22. APOLOGIES FOR ABSENCE

Apologies were received from Mrs J Baker, Mrs Catlow-Hawkins, Mrs J Cecil, Mr J Godfrey, Mr S Matthews, Mrs J Powell and Mr S Pugh.

23. NAMED SUBSTITUTES

There were none.

24. DECLARATIONS OF INTEREST

Mrs S Woodrow declared a personal interest in agenda item 6: Proposals for a Financial Difficulty Reserve as the proposal potentially affected a school of which she was an employee.

Mr P Box declared a personal interest in agenda item 8: Dedicated Schools Grant 2012/13 – Budget Consultation as the proposal relating to Advanced Skills Teachers potentially affected a school of which he was an employee.

25. CHAIRMAN'S ANNOUNCEMENTS

There were none.

26. MINUTES

RESOLVED: That the Minutes of the meeting held on 10 June 2011 be confirmed as a correct record and signed by the Chairman.

27. PROPOSALS FOR A FINANCIAL DIFFICULTY RESERVE

(Mrs S Woodrow declared a personal interest.)

The Forum was invited to consider the provision of a financial difficulty reserve for schools.

The Chairman proposed that this item be referred to the Budget Working Group for comment prior to the Forum considering the matter.

RESOLVED: That the report be referred to the Budget Working Party for comment and the matter reported back to the Forum in December for consideration.

28. DEDICATED SCHOOLS GRANT

The Forum was informed of the final Dedicated Schools Grant (DSG) for 2011/12, and invited to consider an outstanding issue regarding mainstreamed grants in the 2011/12 schools budget, and the outturn for 2010/11 including proposals for the use of the underspend.

The Chairman proposed that recommendation c, the use of the 2010/11 underspend should be referred to the Budget Working Group for comment prior to the Forum considering the matter. This was accepted

The Schools Finance Manager presented the report.

He reported that the Headteacher of John Masefield High School had withdrawn a request to the Forum to consider amendments to the mainstreamed grants in 2011/12.

He noted that the new section 251 benchmarking information for 2011/12 had been produced by the Department for Education showing expenditure per pupil for all retained services. This showed that expenditure per pupil in Herefordshire is generally amongst the lowest nationally with the exception of funding for special educational needs support services. It was agreed that a briefing note would be circulated to all schools.

In discussion the following principal points were made:

- It was requested that a briefing note be circulated to schools on any special grant funding available to schools.
- It was proposed that the Headteacher of John Masefield High School should be formally thanked for withdrawing the request that the Forum consider amendments to the mainstreamed grants.
- The Surestart grant was underspent. A concern was expressed that funding for some projects had been withdrawn even though grant funding was apparently available. The Head of Improvement said he thought it unlikely that had been the case but undertook to seek clarification.

RESOLVED:

- (a) the final DSG settlement and the average decreases in per pupil funding in schools for 2011/12 be noted;**
- (b) the Section 251 Budget Statement be noted;**
- (c) the use of the 2010/11 DSG underspend of £421k be referred to the Budget Working Group for comment and the matter reported back to the Forum in December for consideration;**
- (d) it be noted that no further action was required in respect the allocation of mainstreamed grants in 2011/12 and John Masefield High School be**

thanked for withdrawing its request; and

- (e) a briefing note be circulated on new Department for Education benchmarking analysis and any special grant funding available to schools.**

29. DEDICATED SCHOOLS GRANT 2012/13 - BUDGET CONSULTATION

(Mr P Box declared a personal interest)

The Forum considered a budget consultation paper explaining the budget options for the 2012/13 Dedicated Schools Grant and designed to seek the views of schools prior to developing initial budget proposals for the Forum's consideration in December 2011.

The Schools Finance Manager presented the report. He highlighted that the budget proposals provided for an overall cost increase of £900k in 2012/13. It was proposed that this be funded by a package of reductions, similar to those for 2011/12, but largely through reductions in social deprivation funding which would be offset by increases in the pupil premium for 2012/13. He commented on the timetable for the production of the budget including the proposal that if the grant settlement were significantly different from what was expected the Budget Working Group be authorised to commission a further consultation exercise.

In discussion the following principal points were made:

- It was important that all schools responded to the consultation and members of the Forum were encouraged to advise colleagues accordingly.
- The Budget Working Group had sought to put forward proposals that were fair to all schools.
- Some concerns were expressed about the proposal that there should be no change to excellence cluster funding in the current year; the proposals for the delegated funding of band 3 and band 4 special educational needs funding; and the proposal relating to funding of Advanced Skills Teachers. It was agreed that the consultation document afforded schools the opportunity to raise these concerns and the Forum would consider responses to the consultation exercise as a whole.
- The Schools Finance Manager circulated a paper which benchmarked funding allocated to Private and Voluntary and Independent (PVI) settings compared with Gloucestershire and Worcestershire. The benchmarking indicated that funding in Herefordshire was now on a par with that in Worcestershire and Gloucestershire. Further information was being sought from Shropshire to finalise the comparison. He reported that it was proposed there should be no budget reduction to PVI nursery funding, to amend the consultation document accordingly, and to report back to the Forum on Early Years Funding. A concern was expressed that different settings calculated their costs in different ways and it was requested that the possibility of an independent cost analysis of settings should be explored.
- That whilst principally a cost saving exercise it was essential that all budget increases were robustly challenged by the Schools Forum in accordance with principle set out in section 2.3 of the consultation document. It was requested that if any unexpected budget pressures emerged these were brought to the attention of Members of the Forum at the earliest opportunity.

RESOLVED:

- That (a) it be agreed that no budget reduction in PVI nursery funding should be required in 2012/13, that the consultation paper should be amended accordingly and a report on PVI nursery funding should be made to the Forum in January 2012; with the possibility of an independent cost analysis of settings being explored;
- (b) the consultation paper as amended be approved for distribution to schools and PVI nurseries; and
- (c) the budget process and timeline as set out in the consultation paper be approved, i.e.
- i briefings for all schools, governors and PVIs in October – dates to be confirmed;
 - ii individual response form to be returned by 11th November
 - iii Budget Working Group to meet on 25th November prior to Schools Forum to consider responses and prepare initial budget proposals
 - iv Schools Forum to consider the response to the consultation;
 - v Budget Working Group to meet on 14th December to consider whether any changes are required to the budget strategy following the DfE announcement of the school budget settlement in early/mid December and to determine whether a further short consultation with schools and PVIs is necessary; and
 - vi Schools Forum to consider the final budget proposals on 24th February 2012 and recommend final budget proposals to the Cabinet Member for Corporate Services and Education.

30. SCHOOL FUNDING REFORM

The Forum was informed of the consultation on the national school funding reform and invited to comment on the proposed consultation response prior to submission.

The Schools Finance Manager presented the report. The proposed response to the consultation document was appended.

It was proposed that the responses to questions 34 and 39 should be strengthened.

RESOLVED: That the draft response to the consultation paper be approved for submission to the Department for Education, noting the additional comment that would be added in the responses to questions 34 and 39 in the consultation document.

31. DRAFT GUIDING PRINCIPLES FOR THE HEREFORDSHIRE LEARNING COMMUNITY

The Cabinet Member – Corporate Services and Education, introduced the report emphasising the current plans to encourage businesses to establish themselves in the County and the importance of equipping children with the skills to take advantage of the opportunities that would be created, allowing them to remain in the County if they wished. The guiding principles set out in the report were intended to support that aim.

The Assistant Director - Peoples Services Commissioning commented on the changing educational landscape and the opportunities and challenges this presented. He emphasised the importance of all those involved in the learning community working together as their respective roles continued to change.

In discussion the following principal points were made:

- The Forum broadly welcomed the guiding principles and noted the proposals to discuss them with the Schools Strategic Planning Group, Headteacher forums and the Herefordshire Association of Governors before reporting them to Cabinet in the Spring for formal adoption.
- It was requested that the term “applied learning” should be used in documentation in preference to the word “vocational”.
- It was noted that, as reported at paragraph 21 of the report, as part of the development of the guiding principles the local authority would set out what it means to be a local authority school, as opposed to an academy or free school, so that schools and the learning community were clear about the differences.
- That whilst it was not feasible to establish a University within the County as an institution in its own right there were a number of ways in which higher learning opportunities in the County could be developed.
- The Assistant Director drew attention to the role the local authority was obliged to play in addressing long term issues of surplus places and falling rolls and how this would be exercised where the principles of Herefordshire’s learning community were not going to be achieved.

RESOLVED: That the draft guiding principles for the Herefordshire Learning Community be welcomed as a basis for further discussion and development and Members of the Forum encouraged to take the draft guiding principles forward for discussion in their own settings, as well as within their peer groups, providing feedback to the Council.

32. WORK PROGRAMME

The Forum considered its work programme.

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

- Proposals for a Financial Difficulty Reserve
- Use of the 2010/11 Dedicated Schools Grant Underspend
- PVI Nursery Funding

33. LATE ITEMS/ANY OTHER BUSINESS

There were none.

34. DATE OF NEXT MEETING

The Forum noted that the next meeting was scheduled to be held at 9.30 am on Thursday 8 December.

The meeting ended at 11.30 am

CHAIRMAN

MEETING:	SCHOOLS FORUM
DATE:	8 DECEMBER 2011
TITLE OF REPORT:	SCHOOLS CAPITAL INVESTMENT PROGRAMME
OFFICER:	HEAD OF SUFFICIENCY & CAPITAL COMMISSIONING

CLASSIFICATION: Open

Wards Affected

County-wide – All schools

Purpose

To report on the investment programme for Herefordshire schools in 2011/12 and to provide an update on the Government review of schools capital and possible implications for Herefordshire.

Recommendations

THAT SCHOOLS FORUM:

- (a) **Note and comment upon the 2011/12 capital investment process and programme.**
- (b) **Note the update on the Government review of schools capital and possible implications for Herefordshire.**

Key Points Summary

- Reduction £1.423m in schools capital between 2010/11 and 2011/12.
- Shift of funding from devolved to Local Authority
- Given the shift of funding a process has been developed and implemented with the Capital Strategy Consultative Group to provide an objective and transparent allocation of the funding available.
- 2012/13 funding allocations are due to be announced as part of the Local Government settlement in December.
- The Government's proposals for the allocation of Capital Maintenance and Basic Need funding in future years may lead to reduced capital funding for Herefordshire due to the comparatively good condition of the school stock in the County and the relatively low increase in birth rate in the County, coupled with overall surplus capacity to meet increased demand for places.

Further information on the subject of this report is available from
Rob Reid, Head of Sufficiency & Capital Commissioning on (01432) 260266

Alternative Options

- 1 This paper provides an update and invites comment. There are no alternative options.

Reasons for Recommendations

- 2 To provide sufficient information and opportunity for Schools Forum to comment and advise upon the schools' capital investment programme, process and outcomes for 2011/2012 and to understand the possible implications for Herefordshire of the Government review of schools capital.

Introduction and Background

- 3 This is a report on the key areas of progress, achievement and challenge within the capital programme for 2011/12.
- 4 The Government commissioned Sebastian James to undertake a major review of schools' capital. The 'James Review' reported to Government in April 2011 with a number of recommendations which were broadly accepted by the Secretary of State who consulted on the recommendations over the summer and early autumn 2011.

Key Considerations

5 Herefordshire Local Authority allocations – 2011/12

Grant	Indicative allocation 2011/12 (£000)	2010/11 allocation for comparison (£000)	Difference (£000)
Basic Need	2,154	458	1,696
Capital Maintenance – Local Authority Maintained Schools	2,696	1,949	747
Capital Maintenance – Locally Co- ordinated Voluntary Aided Schools Programme	907	1,032	(125)
Schools Access Initiative	0	286	(286)
Devolved Formula Capital	679	3,589	(2,910)

Harnessing Technology (Devolved to schools)	0	545	(545)
Total	6,436	7,859	(1,423)

- 6 There are three significant changes to the Government grant allocations for Herefordshire between last financial year and this financial year. The first is a significant reduction of £1.423m in the total capital grant as part of the Government's austerity measures. The second is the removal of specific grants for Schools Access Initiative and Harnessing Technology. The former was aimed at improving access to buildings and the provision of specialist equipment and curriculum resources for children with disabilities and the latter supported the development of ICT in schools. The third significant change is an average 80% reduction in schools' devolved formula capital budgets and an increase in Local Authority capital maintenance and basic needs capital grants. This shift was prompted by an Audit Commission report which concluded that devolved capital spend was not addressing the highest asset management priorities across a local authority's area. The Audit Commission recommended that local authorities were best placed to co-ordinate and provide a strategic overview of capital investment priorities.
- 7 Capital Maintenance Grant, to address building condition issues, is for Local Authority maintained Community, Voluntary Controlled, Foundation and Trust schools only. Academies capital maintenance funds are provided to each academy directly by the Department for Education. Although reduced from the 2010/2011 funding level, the Government has retained a separate grant allocation for Voluntary Aided schools through the Locally Co-ordinated Voluntary Aided Programme (LCVAP). LCVAP has always been 'badged' as capital maintenance funding by Government. Herefordshire has traditionally used the funding to meet priority capital maintenance needs, but has also used the funding to provide new and improved facilities on the basis that such investment would reduce future capital maintenance liabilities.
- 8 Basic Need capital grant is provided to the Local Authority as the strategic commissioner of school places. It is available to provide and improve school places and provision across all categories of schools, including Academies and Voluntary Aided schools. Given this, Herefordshire Council will wish to explore with the Hereford Diocese, Archdiocese of Cardiff, Herefordshire's one secular Voluntary Aided school and the People's Services Directorate Capital Strategy Consultative Group the future use of LCVAP (assuming it remains a separate grant in future). Its continued use to fund new and improved facilities, rather than being used for capital maintenance, may be seen as unfair as Voluntary Aided schools would have access to two funding streams. The consequence would be that LCVAP would be used solely to address priority capital maintenance needs at Voluntary Aided schools, just as the Capital Maintenance grant is used to address priority needs at Community, Voluntary Controlled, Foundation and Trust schools.

9

The 2011/12 Capital Maintenance budget for Community, Voluntary Controlled, Foundation and Trust schools has been committed in the following areas:

	<u>£000</u>
Roof repairs/replacement	758
Fire precautions	21
Electrics/Lighting upgrades	314
Replacement doors/windows/curtain walls	263
Boiler replacement/heating	180
Damp proofing	35
Insulation	75
Asbestos removal	170
Oil tank replacement	30
LPG Tank safety	30
Legionella	60
Lift upgrades	80
Energy Trend System	50
Condition surveys	80
Contribution to insurance	300
Emergency contingency	<u>250</u>
	2,696

- 10 The 2011/12 Locally Co-ordinated Voluntary Aided Programme has been committed in the following areas:

	<u>£ 000</u>
Roof repairs	10
Boiler replacement	80
Curtain walls	100
Drainage	60
Toilet refurbishment	55
Electrical rewiring	140
Pupil mobility/access alterations	50
Remodelling teaching/PPA area	110
Provision of covered link between blocks	<u>90</u>
	905

- 11 All schools were invited to submit bids for Basic Needs capital funding in the summer term. Bids were invited for building schemes to improve provision and also for ICT bids where schools had an urgent and planned ICT need which was at risk because of the severe reduction in devolved formula capital. 52 schools submitted bids, some submitting more than one. A total of 55 bids were received for building improvements funding, totalling £6.6m and 29 bids for ICT funding, totalling £250k.
- 12 Prior to the invitation to submit bids for Basic Needs funding, the People's Services Capital Strategy Consultative Group, which includes school phase and diocesan representation, considered and recommended improvements to a capital scheme scoring matrix to be used to bring objectivity to the assessment of bids and help in determining the funding priorities in line with the Capital Strategy.
- 13 Over the summer and early autumn, the People's Services Sufficiency and Capital Investment

team assessed the bids against the scoring matrix and against a number of 'gateways' to determine the quality and deliverability of schemes. This process identified a number of priority schemes for funding from the 2011/12 Basic Need capital grant and these were shared with the People's Services Capital Strategy Consultative Group on 21 November for scrutiny and comment, including the process that had been followed.

- 14 The People's Services Capital Strategy Consultative Group approved the recommended schemes. Director and Cabinet Member approval will now be sought and details of the bids approved for funding will be tabled at the Schools Forum meeting on 8 December.
- 15 The Consultative Group was pleased with the approach taken by officers to develop an objective and transparent capital funding allocation system and was content that the recommended schemes for funding represented the highest deliverable priorities with the funding available. However, it was accepted that further refinement of the assessment process is required and officers will work on this and consult further with the group to improve the process further.
- 16 The Government's consultation on the recommendations of the James Review of schools capital closed on 11 October 2011. Civil servants and Ministers are still considering the responses. Broadly, the consultation focused on two key areas – the best model for allocating funding nationally and a more centralised approach to procurement and project management of larger capital schemes for new or replacement school builds.
- 17 The James Review recommended priority investment for those areas experiencing shortages of school places. The national rise in the birth rate has created a shortage of places in mainly urban conurbations. The other priority identified for investment is building condition. Generally, the move is away from transformational investment to maintaining current stock and investing in new provision to address shortage of places.
- 18 75% of responders to the consultation favoured the principle that there should be Local Investment Plans, hosted by Local Authorities, but working with 'responsible bodies' such as the diocese, academies etc to establish a locally developed and agreed investment plan. Herefordshire is well placed to adopt such a system and to some extent has pre-empted this proposal through the establishment of the Capital Strategy Consultative Group which is well placed to develop to provide this model.
- 19 An area where Ministers have already acted following the consultation is to develop a system for gathering high level condition data on all schools across the country in order to inform the allocation of capital maintenance funds to Local Authorities and academies. Whilst national funding allocations will be based on this high level data, allocation of such funds would be determined locally, which is where the Local Investment Plans are likely to feature. There will still be an expectation that Local Authorities and academies collect more detailed condition data to inform investment decisions at the Local Authority or individual academy level.
- 20 Reaction to a more centralised approach to procurement and project management of major capital schemes, perhaps 'packaging' major capital schemes nationally, received a more mixed reception with just over 50% in favour, but many questioning the anticipated efficiencies over regional procurement models already in place, such as the West Midlands Contractor Framework and the impact on local economies. The centralised approach also consulted on the proposal to develop a set of standardised designs for all new schools. Again, opinion was split fairly equally on this.
- 21 Over the summer, the Government announced two further capital funding streams. The first was the Priority School Building Programme which is aimed at rebuilding approximately 100 – 300 schools in the worst condition throughout the country, via a Private Finance Initiative over

a 26 year period. By comparison to many other local authority areas, Herefordshire schools are generally well maintained and consequently no Herefordshire school met the criteria for replacement through this scheme. Had any school met the criteria, the Local Authority would have wished to consider very carefully the benefits and obligations imposed through a long term PFI commitment.

- 22 The other funding announced was an additional £500m of Basic Need. Ministers targeted this money at Local Authorities that are experiencing shortages of school places. Herefordshire, along with about 40 other Local Authorities did not receive any of this additional Basic Need funding because, overall, Herefordshire has sufficient school places to meet demand and, in fact, significant surplus places.
- 23 The Government is considering the basis for Basic Need grant allocations to Local Authorities for 2012/13. Through the Association of Directors of Children's Services, with whom the Government has consulted, Herefordshire has commented on a proposed funding model that allocates 50% of available Basic Need funding across Local Authorities based on increasing pupil numbers and 50% based on capacity to accommodate increased pupil numbers. Specifically, Herefordshire has commented that on an individual school basis the government expects that there is a presumption of approval to enable popular schools to expand. How is this taken into account in relation to basic need, particularly in rural authorities where the overall pupil numbers might be static or declining? Also, in some counties there is a community/geographic/accessibility need to keep schools open even though they may have a surplus of places. The calculation proposed by the DfE would not take such issues into account and in summary act adversely against some areas that do require funding to meet basic need within their overall area. On a quick calculation Herefordshire by way of example would lose a quarter of its Basic Need funding due to the crude methodology proposed. We have stressed that we are sure that this is not the Minister's intention.

Community Impact

- 24 The capital investment programme of the People's Services Directorate, including schools, has wide ranging community impacts, benefiting children, young people and their families across Herefordshire.

Financial Implications

- 25 These are contained in the body of the report.

Legal Implications

- 26 The use of capital funding including grants must comply with the legal requirements associated with each funding stream and the conditions of specific grants

Risk Management

- 27 The risks are set out in the body of the report, in terms of project delays and the actions planned to mitigate the impact of these.

Appendices None

Background Papers None

MEETING:	SCHOOLS FORUM
DATE:	8 DECEMBER 2011
TITLE OF REPORT:	REVIEW OF IN YEAR FAIR ACCESS PLACEMENT PANEL AND FUNDING IMPLICATIONS FOR SCHOOLS
OFFICER:	HEAD OF SUFFICIENCY & CAPITAL COMMISSIONING

CLASSIFICATION: Open

Wards Affected

County-wide – All schools

Purpose

To report on the activity of the In Year Fair Access Placement Panel in 2010/11 and the resulting funding implications for schools.

Recommendation(s)

THAT SCHOOLS FORUM:

- (a) **Note the activity of the In Year Fair Access Placement Panel in the context of In Year Transfers in Herefordshire.**
- (b) **Determine whether the Budget Working Group should consider funding mechanisms to address the funding implications for schools receiving pupils and students through the In Year Fair Access Placement Panel, for future consideration by Schools Forum.**

Key Points Summary

- Herefordshire's In Year Fair Access Protocol establishes the In Year Fair Access Placement Panel as the body to determine the admission of hard to place children.
- The establishment and review of the In Year Fair Access Protocol is not within the remit of Schools Forum, but any funding implication resulting from the activity of the In Year Fair Access Placement Panel is for Schools Forum to consider and recommend appropriate funding arrangements.
- In 2010/11, there were a total of 340 in year transfers to high schools and 862 in year transfers to primary schools. Most of these were straightforward admissions as a result of house moves with families moving into Herefordshire and families moving within the County. Only a relatively small number result from families undertaking multiple moves (1 high school pupil moved more

Further information on the subject of this report is available from
Rob Reid, Head of Sufficiency & Capital Commissioning on (01432) 260266

than once and 8 primary pupils (3 families) moved more than once). In Year Fair Access Placement Panel decisions accounted for 17 in year high school admissions (5%) and 3 primary school admissions (0.35%).

- 13 of the 17 in year high school admissions, through the In Year Fair Access Placement Panel, were concentrated in, and largely between, 5 high schools in and near Hereford City.
- As with all in year transfers, the school receiving the pupil does not receive funding for the pupil until the April following the January School Census.
- The Department for Education advises not to make in year budget adjustments for the ebb and flow of pupils.
- Schools Forum has approved a mechanism for funding to follow pupils moving between schools and pupil referral units, through in year budget adjustments.
- If Schools Forum is minded to consider in year budget adjustments, or charging, between schools in respect of In Year Fair Access Placement Panel decisions, there are a number of options and arrangements that may be referred to the Budget Working Group to consider and develop for approval by Schools Forum.

Alternative Options

- 1 There are no alternative options.

Reasons for Recommendations

- 2 Pupils admitted to schools through the In Year Fair Access Placement Panel are those who are most difficult to place. This will be due to a number of factors, and often a combination of factors, that can provide significant challenges for the receiving school in terms of support needed for the pupil and the resource to provide that support at the time of admission.

Introduction and Background

- 3 At its meeting in June 2011, Schools Forum received a paper on a proposal for funding following the student from pupil referral units (PRUs).
- 4 The Forum considered a mechanism to allow 'funding to follow the student' when transferring to a different school after being on the roll of a PRU
- 5 The Forum considered it important that funding should be transferred for one school to another as soon as was practicable.
- 6 Concern was expressed about the financial implications of in-year moves of other pupils. It was noted that the Authority could not refuse a request for a pupil to transfer from one school to another where a place at the preferred school was available. A report could, however, be made to the Forum on the operation of the in year fair access placement panel and the funding implications for schools.
- 7 It was resolved that:
 - (a) The Forum endorsed the principle that funding will follow a student to their new school if they are permanently excluded and are admitted to a different Herefordshire secondary school or the school receives a pupil through the managed moves

programme, noting this would apply to all secondary schools including academies, with such funding to be transferred as soon as was reasonably practicable;

- (b) the local authority should collect the funding from the pupil's former school in order to fund the PRU provision as agreed by the Schools Forum in March 2011 and, where the pupil is allocated a place on the roll of a different school, the transference by the LA of the same level of funding to the receiving school; and
- (c) that a report be made to the next meeting on the operation of the In Year Fair Access Placement Panel and the funding implications for schools of in-year transfers.

8 The report was subsequently placed on the Schools Forum work programme for its December 2011 meeting.

Key Considerations

- 9 All admission authorities (including those schools for which the Governing Body is the admission authority) must have Fair Access Protocols in place and all schools must participate in the protocol in order to ensure that unplaced children are offered a place at a suitable school as quickly as possible. This includes admitting children to schools that are already full.
- 10 Admission authorities are tasked to ensure that no school, including those with places available, is asked to take an excessive or unreasonable number of children who have been excluded from other schools or have challenging behaviour. They must also ensure that all children who arrive outside the normal admissions round who may have difficulty securing a place are covered by a protocol.
- 11 All maintained schools and academies in Herefordshire are covered by the protocol, including community schools, foundation schools, trust schools, voluntary aided schools and voluntary controlled schools.
- 12 It is the duty of the Local Authority and schools to ensure that children and young people have access to education as soon as possible. Accordingly, the In-Year Fair Access Protocol covers any child who cannot obtain a place through the normal admissions process within 5 school days of becoming known to the Local Authority and those who it is considered it will be difficult to place. The Protocol is to:
 - Place a child or young person in school with as little delay as is possible (in line with Article 2 of the Human Rights Act, 1998).
 - Involve schools in a fair and transparent process in order to reduce the time that children spend out of school.
 - Acknowledge the need of young people who are not on the roll of any school to be dealt with quickly and sympathetically.
 - Recognise the success of proactive work already being undertaken cooperatively between schools to prevent exclusion, and to support children, e.g. through managed moves.
 - Ensure that schools admit children with challenging educational needs in a manner, which takes account of the proportion of children they have already admitted through the Placement Panel process.
 - Meet the need to ensure full entitlement for parents.

In Year Transfers 2010/11 academic year summary

- 13 Herefordshire Council's School Admissions Team considered a total of 1,481 In Year Transfer enquiries during the course of the 2010/11 academic year (beginning August 2010 through to the end of July) with 1,200 actual admissions. Peaks of transfer application activity occurred throughout the year with a particular emphasis in the summer term and the month of September at the start of the Autumn term. A slackening of activity broadly mirrors that of the housing market dipping to a low point around Christmas before accelerating in the Spring term to the high point at the end of the summer term.
- 14 2010/11 saw a 10% increase on 2009/10, which can be accounted for in part by the introduction of the co-ordinating In Year Transfer role allocated to Local Authorities, from September 2010.
- 15 Families moving house are the majority customer for the In Year Transfer service. In 2010/11, 75% of primary school transfers were solely to accommodate children at a new school because of a change of address. The equivalent figure for high schools was 60%. However 50% of families, for whom School Admissions provided the In Year Transfer service, started the process whilst already attending a Herefordshire school. Although 600 additional children were admitted to Herefordshire schools during the year, year groups tend to remain fairly static, which suggests that approximately as many children leave the county as arrive year on year.
- 16 Appendix A provides details of In Year Transfer admissions to Herefordshire high schools. There were a total of 340 admissions, with 207 being straightforward admissions, predominantly due to house moves, and 133 with additional considerations. These comprised of 66 students moved during Key Stage 4, 18 moved with the support of an agency (for example Education Welfare, police, Youth Offending Service), 2 moved during a fixed term exclusion, 8 pupils had attendance issues, 1 child had a history of moving schools frequently, 9 children had special educational needs, 10 were Looked After Children, 2 children were reintegrated to schools (for example through a managed move or following attendance at a Pupil Referral Unit) and 17 placements were made by the In Year Fair Access Placement Panel (out of 40 cases considered by the Panel). For the purpose of this report, each child has been included just once, in the most relevant 'category'.
- 17 Appendix B provides details of In Year Transfer admissions to Herefordshire primary schools. There were a total of 862 admissions, with 798 being straightforward admissions, predominantly due to house moves and 64 with additional considerations. These comprised of 6 children designated alternative schools as their catchment schools were full, 27 moved with the support of an agency (for example Education Welfare, police, Youth Offending Service), 1 moved during a fixed term exclusion, 2 pupils had attendance issues, 8 children had a history of moving schools frequently, 9 children had special educational needs, 3 were Looked After Children, 5 children were reintegrated to schools (for example through a managed move or following attendance at a Pupil Referral Unit) and 3 placements were made by the In Year Fair Access Placement Panel (out of 5 cases considered by the Panel). For the purpose of this report, each child has been included just once, in the most relevant 'category'.
- 18 Consideration for high school places accounted for 40 of the 45 cases that went to the In Year Fair Access Placement Panel, reflecting the fact that 17 of the 20 placements agreed by the Panel were for high school places.
- 19 The number of placements that were agreed by the panel form a very small proportion of the total number of In Year Transfers (5% for high schools and 0.35% for primary schools).
- 20 13 of the 17 high school placements were made to the 5 high schools in and around Hereford City – Aylestone Business & Enterprise College (5), The Bishop of Hereford's Bluecoat School (1), The Hereford Academy (2), St Mary's RC High (3) and Whitecross High School and

Sports College (2). With a large concentration of pupils in Hereford City and relatively easy access to all of these schools, this is perhaps to be expected. Most of the In Year Fair Access Placement Panel transfers therefore take place between the Hereford City high schools. Whilst the movements overall in Hereford are result in little gain or loss of overall pupil numbers, Aylestone Business and Enterprise College in particular [net 10] and The Hereford Academy [net 4] to a lesser extent experience a net gain of difficult to place pupils. For parents in the market towns and rural areas, access to alternative schools is severely limited by the greater travelling distance to other schools and a lack of available transport.

- 21 Whilst the proportion of In Year Transfers that result from the In Year Fair Access Placement Panel are very low, there is of course a funding implication for those schools that gain more difficult to place pupils than they lose with funding not following pupils until the next financial year.
- 22 Ever since the introduction of the Dedicated Schools Grant, the clear advice from the Department for Education and its predecessor has been not to make in year budget adjustments for the ebb and flow of pupils. However, Schools Forum has agreed to in year budget transfers for pupils transferring between schools and Pupil Referral Units. In these cases a budget adjustment is actioned between the two establishments based on a whole year figure of £3,000 per pupil and adjusted according to the proportion of the financial year spent at each establishment.
- 23 If Schools Forum is minded to, a similar system could be introduced for In Year Fair Access Panel Placements, with various options available in terms of the amount of budget to transfer. For example this could be a fixed sum, as with the arrangement with Pupil Referral Units, or it could be Key Stage specific with the Age Weighted Pupil Units being roughly £2,400 for Key Stage 1; £2,300 for Key Stage 2; £3,000 for Key Stage 3 and £3,600 for Key Stage 4. Whichever amount is selected, Schools Forum may wish to consider whether there should be an automatic uplift of the agreed figure(s) each year. Schools Forum may also wish to consider whether a figure for grants, free school meals and pupil premium should also be included. Some pupils placed by the In Year Fair Access Placement Panel may have arrived in the County from outside Herefordshire. If the receiving school is to benefit from an in year budget adjustment for children who have not been in a Herefordshire school previously, then it would be necessary to 'top-slice' an element of DSG to provide for this. However, this would be considered a 'contingency' and therefore a proportion would be 'top-sliced' for academies.
- 24 An alternative mechanism that Schools Forum may like the Budget Working Group to consider is charging between schools, rather than a budget adjustment which would be complicated in the case of academies by requiring the agreement of, and a mechanism for, budget transfers between Local Authority maintained schools and academies.
- 25 Another alternative that may be considered for schools wishing to acquire immediate funding for pupils admitted through the In Year Fair Access Placement Panel, is to have a loan to cover the period from the date of admission to the date that funding is in place for that pupil through the normal budget process. Just as there may be a period where the pupil is on roll before funding is received, so too will the school receive a whole year's funding for the pupil in the April of the calendar year when the pupil leaves in July. The school could therefore repay the loan when the pupil leaves, or at anytime before that if the school chooses to. This practice is already in place and has been used where a school was required by the Local Authority to admit significantly over its PAN as part of a normal admissions round.
- 26 Whilst the proportion of In Year Transfers resulting from In Year Fair Access Placement Panel decisions is very low and a large proportion of these are transfers between a small number of Hereford City high schools, the introduction of a budget transfer arrangement or charging would ensure in year funding for a net recipient school and would introduce a further

consideration for the school from which the pupil is transferring. The loan system would not require the pupil's former school to transfer budget or be charged.

- 27 If School Forum is minded to explore in year budget adjustment options through the Budget Working Group, the Budget Working Group should be asked to consider an appropriate implementation date for any approved scheme. April 2012 may be considered appropriate, but earlier implementation would be possible if required. Schools Forum may also wish the Budget Working Group to consider a review of any in year budget transfer arrangements, perhaps 12 months after the implementation date.

Community Impact

- 28 None at this stage.

Financial Implications

- 29 If Schools Forum is minded to consider in year budget adjustments, the financial details will be further explored to determine the options available, the overall total financial consequence, and what level of contingency (if any) will need to be held.

Legal Implications

- 30 There are no legal implications arising from this consideration of funding implications and possible further consideration and development of in year budget adjustment options.

Risk Management

- 31 There are no risks arising from this consideration of funding implications and possible further consideration and development of in year budget adjustment options. Any such in year budget adjustment will seek to address any potential risk to the quality of education at schools that are a significant net recipient of pupils admitted through the In Year Fair Access Placement Panel.

Appendices

Appendix A – In Year Transfers to Herefordshire Primary Schools 2010/11

Appendix B – In Year Transfers to Herefordshire Secondary Schools 2010/11

Background Papers

- In Year Fair Access Protocol.

In Year Admissions 2010/11 Herefordshire Primary Schools		
	Number of Straightforward Admissions	Number with Additional Considerations*
Almeley	1	0
Ashfield Park	13	0
Ashperton	7	1
Bodenham	4	0
Bosbury	0	2
Brampton Abbots	3	1
Bredenbury	2	0
Bridstow	2	4
Broadlands	18	0
Brockhampton	5	2
St Peters	20	0
Burghill	2	0
Burley Gate	3	0
Canon Pyon	13	0
Clehonger	2	0
Clifford	8	0
Colwall	10	0
Cradley	6	1
Credenhill	20	1
Dilwyn	0	0
Eardisley	9	0
Eastnor	1	0
Ewyas Harold	11	2
Fownhope	15	0
Garway	2	2
Goodrich	1	0
Gorsley Goffs	12	0
Hampton Dene	10	1
Holme Lacy	1	0
Holmer	17	4
Ivington	6	0
Kimbolton	3	0
Kings Caple	4	1
Kingsland	8	0
Kingstone & Thruxton	16	0
Kington	30	0
Lea	5	0
Ledbury	19	2
Leintwardine	2	0
Leominster Infants	13	0
Leominster Juniors	14	1
Little Dewchurch	1	0
Llangrove	1	0
Longtown	2	0

	Number of Straightforward Admissions	Number with Additional Considerations*
Lord Scudamore	28	1
Lugwardine	23	1
Luston	13	3
Madley	8	3
Marden	2	0
Marlbrook	21	2
Michaelchurch Escley	3	0
Mordiford	6	0
Much Birch	5	0
Much Marcle	6	3
Orleton	4	2
Our Ladys	17	0
Pembridge	9	0
Pencombe	2	0
Peterchurch	11	0
Riverside	19	1
St Francis Xavier	17	1
St James	13	0
St Josephs	4	3
St Martins	36	3
St Pauls	10	0
St Thomas Cantilupe	14	2
St Weonards	1	3
Shobdon	13	0
Staunton on Wye	4	1
Steiner	3	0
Stoke Prior	10	0
Stretton Sugwas	7	2
Sutton	3	0
Trinity	39	3
Walford	12	1
Wellington	9	0
Weobley	23	4
Weston under Penyard	4	0
Whitbourne	3	0
Whitchurch	16	0
Wigmore	32	0
Withington	6	0
	798	64

* Additional considerations include:

Redesignation to an alternative school when preferred catchment school is full.

Children with agency support e.g Education Welfare, Youth Offending, Police.

Children on fixed period exclusions.

Children with attendance issues at current school.

Children with a history of changing schools.

Children with special educational needs, both with and without statements.

Looked After Children

Children reintegrated from a Pupil Referral Unit and through managed moves.

In Year Admissions 2010/11 Herefordshire High Schools

	Number of Straightforward Admissions	Number with Additional Considerations*
Aylestone	32	19
Bishops	13	10
Earl Mortimer	13	15
Fairfield	12	10
Hereford Academy	14	21
John Kyrle	16	13
John Masefield	21	5
Kingstone	11	8
Lady Hawkins	13	4
Queen Elizabeth	7	2
Steiner	6	1
St Mary's	2	3
Weobley	20	12
Whitecross	20	6
Wigmore	7	2
PRU	-	2
Total	207	133

* Additional considerations include:

Redesignation to an alternative school when preferred catchment school is full.

Children with agency support e.g Education Welfare, Youth Offending, Police.

Children on fixed period exclusions.

Children with attendance issues at current school.

Children with a history of changing schools.

Children with special educational needs, both with and without statements.

Looked After Children

Children reintegrated from a Pupil Referral Unit and through managed moves.



MEETING:	SCHOOLS FORUM
DATE:	8 DECEMBER 2011
TITLE OF REPORT:	SCHOOLS INSURANCE
OFFICER	SCHOOLS FINANCE MANAGER

CLASSIFICATION: Open

Wards Affected

County-wide – All Schools

Purpose

To provide an update on schools insurance for 2011/12 and potential changes to the 2012/13 offer.

Recommendation

THAT School Forum is asked to note the progress in reviewing the insurance offer to schools and to comment on the proposed strategy for pricing insurance in 2012/13

Key Points Summary

- The report sets out the background to the significant price increase in schools insurance in 2011/12 and the actions taken to restore the insurance claims fund.
- Proposed reductions in the insurance offer to schools for 2012/13.

Alternative Options

- 1 Under the scheme of delegation, individual schools have a choice on who in the market they buy their insurance from.

Reasons for Recommendations

- 2 Due to the high level of claims for winter flood damage in 2010/11 the balance of risk self-insurance fund incurred at estimated loss of £635k. Changes were made to the balance of risk scheme for 2011/12 which resulted in higher premiums to schools, due to additional insurance underwriting costs (limiting the excess on any claim to a maximum of £50k) and to ensure the insurance claims fund is funded at an appropriate level to meet future liabilities. Future years pricing realigns the schools premium, using the latest forecasts.

Introduction and Background

3. Self insurance schemes are common in local authorities and are designed so that the income generated in the good years is used to pay for a higher level of claims in the bad

Further information on the subject of this report is available from
Malcolm Green, Schools Finance Manager on (01432) 260818

years. The council purchases insurance by competitive tender, via the OJEC process with the advice and support of its brokers. This process ensures that the Council (and schools) receives the most economically advantageous policies in order to protect its assets along with limiting the financial exposure in the event of claims.

4. The bad weather claims from schools in the winter of 2010/11 cost an estimated £750k and the premiums collected from schools under the balance of risk insurance scheme were £116k leaving a shortfall of £635k. In normal circumstances the shortfall would be met by the claims fund however only £23k remained in the fund due to the high cost of flood claims in the exceptional floods of summer 2007.
5. In order to refinance the claims fund the following actions have been taken;
 - Provision was made within the capital programme to meet £600k of the bad weather claims from 2010/11
 - A schools property insurance policy was purchased from an external insurer from April 2011 to limit any single loss to a maximum £50k for any claim. Prior to this, liability was unlimited
 - In addition to recovering the costs, the balance of risk premiums charged to schools were significantly increased by up to 200% to generate an income of £400k in excess of the policy costs in order to cover the potential liability arising from another bad winter
 - A range of excesses were offered to schools, i.e. £1,000, £2,500, £5,000 and £10,000 (these sit within the £50k excess imposed by the external insurers) so that schools could choose to reduce the cost of insurance by managing their risk
 - The extra income over and above the liability claims to be used to restore the insurance claims fund in 2011/12
 - An actuarial review of the council's insurance fund has been commissioned and to include the schools balance of risk to review the insurance fund. Previously the actuarial reviews had concentrated on the council's insurance fund and excluded schools.
 - The council's insurance policies have been amended to run from 1st April to 31st March providing a clear link with the prices charged to schools on a financial year basis. In doing this, on the advice of the insurance brokers, the council has taken the opportunity to fix insurance pricing costs until March 2014 as market costs are expected to increase over this period.
 - Prices to schools would be reviewed for 2012/13 taking account of the actuarial advice. Final prices have yet to be determined however a reduction of approximately £20 per pupil is expected. It may be slightly more for schools taking out the higher excesses.
 - Schools that purchased insurance elsewhere in 2011/12 will be charged a re-joining fee if they wish to re-join the council scheme. This is because all those schools that remained with the scheme have contributed to the restoration of the insurance claims fund and should benefit from lower prices in future.
6. The actuary's report forecast a claims liability for 2012/13 of £196k for schools property, employer and public liability. In pricing the offer to schools, it is proposed that the most

reasonable approach is to recover the cost of the insurance premiums in addition to meeting the actuary's forecast of claims.

7. There are risks to this approach as follows;
- That a second bad winter will erode the additional income received from schools in 2011/12 and the insurance claims fund may not be sufficient to meet future claims.
 - If the insurance fund continues to lose money then the council will withdraw from providing schools with insurance. Schools will have to buy insurance direct from the market as the council is not able to subsidise the cost of insurance services to schools.
 - Schools purchasing their insurance cover from alternative sources may under insure to achieve price reductions and that the council would be left meeting any shortfall in liabilities. These risks would be minimised by requiring all schools taking their own insurance to have their policy checked by the council's insurance broker. There would be a cost to the school for this checking.
8. Action is being taken to ensure that schools receive comprehensive cold weather property advice to ensure that the costs arising from cold weather damage are minimised. School claims will be investigated to ensure that the property advice has been followed. Any cases where schools have omitted to follow the advice will result in costs of up to the £50k excess being charged to the school so that the insurance fund does not bear the full cost.

Key Considerations

- 10 None identified.

Community Impact

- 11 None at this stage.

Financial Implications

- 12 Provided this winter does not generate an exceptionally high level of claims then, based on the actuary's review, the schools insurance claims fund will be sufficient to meet future liabilities. This will allow the balance of risk scheme to continue to be offered to schools. The 2012/13 insurance prices offered to schools will be based on the premiums charged to the council and the forecast liabilities (i.e. the excesses to be met by the insurance fund) in 2012/13.

Legal Implications

- 14 There are no legal implications.

Risk Management

- 15 The risk to the balance of risk property self insurance fund has been minimised by taking an insurance policy limiting the council's liability to a maximum of £50,000 for each property claim. Prices to schools were increased in 2011/12 to restore the fund to a surplus.

Appendices

15 None

Background Papers

16 Fund review Herefordshire Council (Draft 2) 4 November 2011

MEETING:	HEREFORDSHIRE SCHOOLS FORUM
DATE:	8 DECEMBER 2011
TITLE OF REPORT:	WORK PROGRAMME
REPORT BY:	DEMOCRATIC SERVICES

CLASSIFICATION: Open

Wards Affected

County-wide

Purpose

To consider the Forum's work programme.

Recommendation

THAT: the Work Programme be noted, subject to any comments the Forum wishes to make.

Herefordshire Schools Forum – Work Programme 2011/12

20 January 2012 9.30 am Brockington

- Report of Budget Working Group
- Update on DfE Funding Announcement – including national school funding review.
- PVI Nursery Funding
- Workplan 2011/12
- Dates of Meetings

24 February 2012 9.30 am Brockington

- Report of Budget Working Group
- School Funding 2012/13 – Final Budgets
- Schools Capital Investment Programme
- National School Funding Review – update
- Membership of Budget Working Group
- Workplan 2011/12
- Dates of Meetings

Further information on the subject of this report is available from
Pete Martens or Tim Brown, Democratic Services on (01432) 260248

(Provisional) 12 March 2012 9.30 am Brockington *(note change of date)*

- Schools Funding 2012/13 – Final Budgets (in case not agreed on 24 Feb)
- Workplan 2011/12
- Dates of Meetings

Background Papers

- None identified.