

AGENDA

Herefordshire Schools Forum

Date: **Monday 19 January 2015**

Time: **2.00 pm**

Place: **The Shire Hall, St Peter's Square, Hereford HR1 2HX**

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
Vice-Chairman

Mrs D Strutt
Mrs J Rees

Mrs S Bailey
Mr P Barns
Mr P Box
Mrs L Brazewell

Mr P Burbidge
Mrs S Catlow-Hawkins
Mrs J Cecil
Mr J A Chapman
Mr J Docherty
Mr T Edwards

Mr M Farmer
Mr J Godfrey
Mr NPJ Griffiths
Mr G House
Ms A Jackson
Ms T Kneale

Mr R Leece
Mr C Lewandowski
Mr M Lewis
Mrs R Lloyd
Mrs S Woodrow
Mrs C Woods
Mr K Wright

Academies

Local Authority Maintained Primary School

Special Schools

Pupil Referral Unit

Academies

Local Authority Maintained Primary School

Governor

Roman Catholic Church

14-19 Partnership

Academies

Church of England

Academies

Local Authority Maintained Secondary

School Governor

Academies

16-19 provider representative

Academies

Academies

Early Years Representative

Locally Maintained Primary School
(Nursery)

Trade Union Representative

Trade Union Representative

Local Authority Maintained Primary School

Early Years Representative

Locally Maintained Secondary Schools

Local Authority Maintained Primary School

Local Authority Maintained Primary School

(2 vacancies)

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. MINUTES To approve and sign the Minutes of the meeting held on 24 October 2014.	5 - 10
5. REPORT OF THE BUDGET WORKING GROUP (TO FOLLOW) To consider the report of the Budget Working Group on the following matters: Dedicated Schools Grant and final Schools Budget 2015/16; school balances, dedelegation, and an update on the Whitecross PFI.	
6. WORK PROGRAMME To consider the Forum's work programme.	11 - 12
7. MEETING DATES The following meeting dates have been scheduled: 13 March 2015 – 9.30 am 5 June 2015 – 9.30 am 10 July 2015 – 9.30 am 23 October 2015– 9.30 am 4 December 2015 – 9.30 am 15 January 2016 – 9.30 am 11 March 2016 – 9.30 am	

HEREFORDSHIRE COUNCIL

MINUTES of the meeting of Herefordshire Schools Forum held at The Shire Hall, St Peter's Square, Hereford HR1 2HX on Friday 24 October 2014 at 9.30 am

Present:	Mrs D Strutt (Academies) (Chairman)	
	Mrs J Rees (Local Authority Maintained Primary School) (Vice Chairman)	
	Mrs S Bailey	Special Schools
	Mr P Barns	Pupil Referral Unit
	Mr P Burbidge	Roman Catholic Church
	Mrs S Catlow-Hawkins	14-19 Partnership
	Mrs J Cecil	Academies
	Mr JA Chapman	Church of England
	Mr J Docherty	Academies
	Mr T E Edwards	Local Authority Maintained Secondary School Governor
	Mr NPJ Griffiths	Academies
	Mr G House	Academies
	Mr M Harrisson	Trade Union Representative
	Mr M Jefferis	Local Authority maintained primary School Governor
	Ms T Kneale	Locally Maintained Primary School (Nursery)
	Mr R Leece	Trade Union Representative
	Mr M Lewis	Local Authority Maintained Primary School
	Mrs R Lloyd	Early Years Representative
	Mrs J Rees	Local Authority Maintained Primary School
	Mrs S Woodrow	Locally Maintained Secondary Schools
	Mrs C Woods	Local Authority Maintained Primary School
	Mr K Wright	Local Authority Maintained Primary School

174. APOLOGIES FOR ABSENCE

The Vice –Chairman welcomed Mr M Lewis as a new member of the Forum.

Apologies were received from Mr P Box, Mrs L Brazewell, Mr J Godfrey, Ms A Jackson, and Mr C Lewandowski. Councillor JW Millar- Cabinet Member Young People and Children's Wellbeing also sent apologies.

(Mr N Griffiths (Vice-Chairman) in the Chair)

175. NAMED SUBSTITUTES

Mr M Harrisson substituted for Mr C Lewandowski and Mr M Jefferis for Mrs L Brazewell.

176. DECLARATIONS OF INTEREST

Agenda item 8 – Report of the Budget Working Group

Mr M Harrisson and Mr R Leece declared interests as Trade Union Representatives in respect of recommendation 13 relating to de-delegation.

Agenda item 11 – Whitecross PFI Scheme

Mrs D Strutt declared an interest as Head Teacher of Whitecross High School and Specialist Sports College. (She vacated the chair for consideration of this item.)

177. ELECTION OF CHAIRMAN

RESOLVED: That Mrs D Strutt be elected Chairman of the Forum for the ensuing year.

(Mrs D Strutt in the Chair.)

178. ELECTION OF VICE-CHAIRMAN

RESOLVED: That Mrs J Rees be elected Vice-Chairman of the Forum for the ensuing year.

179. NOTES

The Schools Finance Manager reported that the Cabinet Member – Young People and Children’s Wellbeing had approved the high needs tariff top-ups as proposed in the report to Schools Forum. This had permitted their implementation from 1 September 2014. It had not been possible to defer implementation pending a further meeting of the Forum.

RESOLVED: That the notes of the informal discussion held on 11 July 2014 be endorsed.

180. ELECTION OF CHAIRMAN OF THE BUDGET WORKING GROUP

RESOLVED: That Mr N Griffiths be elected Chairman of the Budget Working Group for the ensuing year.

181. REPORT OF THE BUDGET WORKING GROUP

The Forum considered the report of the Budget Working Group (BWG) on the following matters: National School Funding Formula proposals for 2015/16, Early Years Funding, Department for Education (DfE) High Needs Review and School Balances.

The Chairman of the BWG introduced the report. He thanked members of the Group for their work. He commented that the BWG had considered and endorsed the continuation of the strategy of moving incrementally towards average funding ratios as calculated by the Department for Education mindful of the implications of the implementation of the National Funding Formula.

The School Finance Manager presented the report. He noted that the response rate from schools to the budget consultation had been lower than in the previous year. The BWG had concluded that the detailed work previously undertaken had generated a consensus amongst schools in support of the budget strategy. The proposals for 2015/16 represented a continuation of that strategy.

One change was an increase in funding for low prior attainment with a corresponding reduction in funding for deprivation. The aim behind this change was also to move the authority more into line with the national average pattern of funding for these two areas of expenditure.

RESOLVED:

That (a) the proposals for the local application of the National Funding Formula for 2015/16 as set out at Appendix 1 to the report, be approved for recommendation to the Director for Children's Wellbeing as follows:

1. **Primary pupil funding – to add 2.9% in addition to the £13 per pupil increase arising from the changes to the primary lump sum so that the £2,759 2014/15 basic entitlement per pupil increases to £2,854 in 2015/16.**
2. **Secondary KS3 pupil funding – to add 2.9% so that the £3,583 2014/15 basic entitlement per KS3 pupil increases to £3,689 in 2015/16**
3. **Secondary KS4 pupil funding – to add 2.9% so that the £4,512 2014/15 basic entitlement per KS4 pupil increases to £4,645 in 2015/16.**
4. **Low prior attainment (low cost, high incidence special education needs) –**
 - (i) **to increase primary funding from £228 per pupil in 2014/15 to £428 per pupil in 2015/16;**
 - (ii) **to increase secondary funding from £148 per pupil in 2014/15 to £648 per pupil in 2015/16;**
5. **Deprivation –**
 - (i) **to reduce the primary ever-6 free school meal funding to £2,572 in 2015/16;**
 - (ii) **to reduce the secondary ever 6 free school meal funding to £2,162 per pupil.**
6. **EAL – to increase the £405 per EAL pupil (first year only) in 2015/16 to £505 for primary schools and £1,216 for high schools in accordance with the Minimum Funding Values set out by the DfE**
- 7 **Lump sums – primary £93,000 and secondary £130,500**
- 8 **Business Rates – no change funded at cost**
- 9 **Looked After Children – to maintain the funding in line with the pupil premium at £1,300 for 2015/16**
- 10 **Mobility – no change for 2015/16**
- 11 **PFI factor – to increase to £207,500 (from £190,000) to provide for increased inflation within the PFI contract. This builds on the existing funding split between the council and DSG. There will be further increases in 2016/17 and 2017/18. The cost of additional PFI funding is being shared equally by DSG and the council's budget.**

(Agreed following consideration of a separate item elsewhere on the Forum's agenda (Minute no 184 refers).)

- 12 **Sparsity**
 - (i) **to increase the primary sparsity factor for qualifying schools to £28,000 tapered lump sum**

(ii) to remove sparsity payments for high schools and increase the secondary lump sum by £1,750 to £132,250;

- 13 De-delegation –
(i) consideration of de-delegation be deferred for the Primary Maintained Sector; and
(ii) consideration of de-delegation be deferred for the Secondary Maintained Sector; pending further consideration by the BWG and a recommendation to the Forum in January 2015
- 14 High Needs Protection - a continuation of the current budget protection scheme for high needs in primary schools with a cap of £60 per pupil be agreed in principle, subject to a more detailed review by the Budget Working Group;

Note: Only school members of Forum And Early Years representatives voted on the national school funding formula values. Voting on de-delegation was restricted to primary maintained schools for primary sector de-delegation and secondary maintained schools for secondary sector de-delegation.

- (b) the interim funding formula values, as set out in Appendix 1 to the report, be submitted to the Education Funding Agency by the deadline of 31 October marked “pending the Director’s approval” as necessary.

(The Forum considered recommendation 11 in appendix 1 to the report after consideration of Agenda Item 11: Whitecross PFI Scheme.)

182. EDUCATION SERVICES GRANT 2015/16

The Forum was asked to note the implications of the DfE’s final arrangements for the Education Services Grant (ESG) for 2015/16 following national consultation during the summer term 2014.

The Assistant Director Commissioning and Education presented the report. He commented that there were still some questions to be resolved at a national level over some of the respective responsibilities of the local authority and schools, including academies. This was recognised as part of the national debate. It included, in particular, circumstances in which individual schools encountered significant management difficulties.

RESOLVED:

- That (a) the conclusion of the DfE’s consultation on the proposed cuts in Education Services Grant be noted; and
- (b) a further report be made to Schools Forum in March 2015 on the savings proposals agreed by the council.

183. CAPITAL AND MAINTENANCE EXPENDITURE ON HEREFORDSHIRE SCHOOLS

The Forum received an update on planned capital and maintenance works on Herefordshire schools.

The Head of Education Development presented the report.

RESOLVED:

- That (a) **the Cabinet Member for Young People and Children's Wellbeing's decision of 25 September 2014 to approve capital and maintenance expenditure on Herefordshire schools as set out in appendices 1 and 2 be noted; and**
- (b) **the development of a Herefordshire schools estates strategy by June 2015 be noted.**

(Mrs J Rees (Vice-Chairman) in the chair.)

184. WHITECROSS PFI SCHEME

The Forum received a report on the Whitecross Private Finance Initiative (PFI) scheme and was asked to consider the need for potential additional funding.

The School Finance Manager presented the report. He highlighted the following points:

- Additional Funding had to be found to meet the costs of the PFI scheme to avoid an impossible financial burden being passed on to future ratepayers.
- The need for additional payments was regrettable. However, the proposal to share the additional payments equally between the Council and schools represented a reasonable compromise.
- The PFI contract had been reviewed with the project's original financial consultants. Seventeen areas had been identified as worthy of further discussion with the PFI supplier. Following those discussions 4 potential areas for savings had been confirmed. Contractually, the savings accrued to the school. It was believed that Whitecross School Governors would consider a request to release the savings to the Council favourably so that the potential additional funding reduced.
- In addition the PFI contractor had been asked to contribute to the savings by agreeing to move the basis of the calculation of inflation from the Retail Price Index to the Consumer Price Index. This would make a significant saving.
- The report proposed a 3 year financial plan. This would need to be reviewed if inflation rates were different from estimated and if savings were not agreed as expected. A progress report would be made to the Forum in January 2015.
- The financial pressure was due to a higher inflation rate than had been assumed in the contract. It had been common practice at the time for PFI schemes to assume that increased costs from higher than planned inflation rates would be met from increased income to councils. That had not proved to be the case.
- If inflation were to rise to levels of 10% or higher as had been the case in the past, then this would create a significant financial pressure on the PFI contract, requiring a more fundamental review of the contract, including possible changes to terms and conditions. Any such renegotiation of the contract would incur significant legal fees and involve complex negotiation with the provider and banks.

- The contract had worked well and provided the County with an excellent facility that could not have been constructed otherwise.

RESOLVED: That the Cabinet Member for Young People and Children’s Wellbeing be recommended to approve that;

- (i) **The options set out in paragraph 12 are implemented where possible to deliver savings as estimated**
- (ii) **The necessary additional financial contributions to the PFI contract be shared equally between the council and schools (through Dedicated Schools Grant) as follows;**

Year	Council Share £'000	DSG Funding £'000	Cumulative £'000
2015/16	12.5	12.5	25
2016/17	25	25	75
2017/18	25	25	125

- (iii) **this position be reviewed if inflation increases take place above those anticipated;**
- (iv) **Schools Forum receive a progress report in January 2015 so that the forecasts can be updated.**

(Following consideration of this item Mrs Strutt commented that the School was committed to seeking to reduce the cost of the contract as far as it possibly could. It was a difficult position for the school which was mindful of the costs having to be borne by other schools as a consequence of the agreement. She thanked colleagues for their support.)

(Mrs D Strutt in the chair)

185. WORK PROGRAMME

The Forum noted its work programme with the following additions:

January 2015 – Whitecross PFI
 March 2015 – Education Services Grant 2015/16

186. MEETING DATES

Noted.

The Chairman commented that it was likely that the meeting scheduled for 5 December would be cancelled unless any urgent business arose.

MEETING:	SCHOOLS FORUM
DATE:	19 JANUARY 2014
TITLE OF REPORT:	WORK PROGRAMME
REPORT BY:	GOVERNANCE 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 2014/15

Friday 13 March 2015 - 9.30 am
<ul style="list-style-type: none"> • PRU Funding – adoption of high needs tariff model for PRUs in 2015/16 • Education Services Grant 2015/16 • Workplan • Dates of Meetings
Friday 5 June 2015 – 9.30 am
<ul style="list-style-type: none"> • Annual Review of Forum Membership to ensure broadly proportional representation is maintained • Annual Review of BWG Membership • Workplan • Dates of Meetings
Friday 10 July 2015 – 9.30 am
<ul style="list-style-type: none"> • Report of Budget Working Group (Proposals for inclusion in Schools Consultation Paper) • Outcome of DfE National Funding Formula Consultation Paper • Review of High Needs Tariffs Implementation

Further information on the subject of this report is available from
Tim Brown, Governance Services on (01432) 260239

<ul style="list-style-type: none"> • Herefordshire Schools Estates Strategy • Workplan • Dates of Meetings
Friday 23 October 2015– 9.30 am
<ul style="list-style-type: none"> • Election of Chairman/Vice-Chairman of Forum • Election of Chairman of Budget Working Group • Report of Budget Working Group (outcome of School budget 2016/17 consultation - approval of provisional National Funding Formula values) • Capital Investment 2015/16 Update • Workplan • Dates of Meetings
Friday 4 December 2015 – 9.30 am
<ul style="list-style-type: none"> • Workplan • Dates of Meetings
Friday 15 January 2016 – 9.30 am
<ul style="list-style-type: none"> • Dedicated Schools Grant settlement and proposed schools budget 2016/17 • Workplan • Dates of Meetings
Friday 11 March 2016 – 9.30 am
<ul style="list-style-type: none"> • Workplan • Dates of Meetings

Background Papers

- None identified.