

MINUTES of the meeting of Herefordshire Schools Forum held at Council Chamber, Brockington, 35 Hafod Road, Hereford, HR1 1SH on Tuesday 7 July 2009 at 2.00 pm

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

Mrs S Catlow-Hawkins, Mrs D Coates, Mrs E Christopher, Mr J Docherty, Mrs C Garlick, Mr M Harrison, Rev. D Hyett, Mr J Godfrey, Mrs A Jackson, Mrs R Lloyd, Mrs A Pritchard and Mr R Thomas

In attendance: Mrs R Hatherill and Councillor PD Price

12. ELECTION OF CHAIRMAN

Mrs JS Powell was nominated and seconded for the Chair.

RESOLVED: That Mrs JS Powell be appointed as the Chair of Herefordshire Schools Forum for the ensuing year.

13. APOLOGIES FOR ABSENCE

Apologies for absence were received from Mr T Edwards, Ms T Kneale, Mr P Whitcombe, Mr T Knapp and Ms S Woodrow.

14. NAMED SUBSTITUTES (IF ANY)

Mrs D Coates substituted for Ms T Kneale.

15. DECLARATIONS OF INTEREST

There were no declarations of interest.

16. MINUTES

RESOLVED: That, subject to the following amendments, the Minutes of the meeting held on 2 June 2009 be approved as a correct record and signed by the Chairman,

- (i) the word 'together' in Resolution (a) to Minute no.10 be deleted;
- (ii) the word 'high' be substituted with the word 'all' in the Resolution to Minute no.11.

17. LATE ITEMS/ANY OTHER BUSINESS

There were no late items or any other business.

18. FINANCE REVIEW REPORT

The Forum received an independent report on Schools Funding issues for consideration and report back to the Schools' Task Group.

Prior to considering the report, the Forum received a power point presentation by the Director of Children's Services with regard to Schools' Revenue Funding and Children's Revenue Funding. The Director referred to concern that had been raised by members at previous Forum meetings on the complexities of Schools funding and informed members that the presentation was intended to provide members with a better understanding of schools revenue funding and greater transparency. A copy of the power point presentation is attached to the Minutes.

The presentation covered the funding sources for schools and other services to Children and Young People (CYP), Dedicated Schools Grant, the division of funding to schools and other services, and grants including Standards fund and Area Based Grant. Budgetary values based on 2009/10 financial year for the funding sources were also set out.

The Director also circulated at the meeting the following information in support of the presentation, copies of which are attached to the Minutes:

- (a) Local Authority Expenditure including Area based Grant - Appendix 1
- (b) Dedicated Schools Grant (DSG) 2009/10 - Appendix 2
- (c) Grants 2009/10 – Appendix 3
- (d) Area Based Grant (ABG) 2009/10 Allocations – Appendix 4
- (e) Standards Fund Grants 2008 – 2011 – Department for Children, Schools and Families (DCSF) Publication

The Director emphasised that Appendix 1 gave a separation of this years financial figures for all Council funded central services for CYP. Appendix 2 specified the services paid for from the DSG provisional allocation and specified the Direct School Grants. Appendix 3 gave a breakdown of all the grants which were also referred to in the presentation.

The Director informed the Forum that it was the intention in future to present financial information to the Forum in a sharper format. This would include an annual spreadsheet showing central Funding, DSG and retained elements, ABG and other grants. Forum decisions and the impact of those decisions would also be included in that information.

A member referred to the situation where the local authority makes the decisions to close schools and that schools must adhere to such decisions. The member asked if there was a centrally held funds target figure set by the Local Authority to reduce spend.

The Director confirmed that should the Authority decide to close schools at any point in the future the funding would be returned to the schools ISB and levels agreed by the Forum. In emphasising that there was not a target to reduce central spend specifically; the Director informed members that there was a need to achieve good value in delivering core services. The Director also emphasised there was a delicate balance in achieving funding levels and achieving good value. There would need to be consultation and debate with the Forum on those issues if any configuration of central services to schools were to change.

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A member asked why Herefordshire was one of the lowest educationally funded authorities.

The Director informed the Forum that the factors which the government considered when allocating funds were deprivation and high pupil density. Both factors were prevalent in urban areas and, therefore, such areas attracted more government funds.

The member took the view that parents and the public should be made aware of such funding issues.

The Chairman referred to Children's and Young Peoples Directorate central costs and that there was a degree of uncertainty in schools as to where funds come from.

The Director responded and referred members to the appendices for details.

The Chairman welcomed Lynn Wright, Independent Consultant, who had been asked by the Schools' Task Group to consider the way forward on Schools funding issues and demonstrated the impact of maintaining the status quo as well as considering the implications of any future changes.

The Consultant emphasised that the report did not refer to schools by name and that all scenarios were hypothetical. The DCSF was currently reviewing the pupil funding formula but there was doubt that this might have little real beneficial impact in Herefordshire. She referred to paragraph 4 and the fact that Herefordshire was one of the lowest funding levels of the nationally distributed DSG. She drew members' attention to paragraph 5 iii, iv and v which highlighted the impact on funding with the loss of one pupil and the sum of money which would need to be found from within central services funded by DSG as a consequence. Also, the cost escalation of the loss of more than one pupil which could have a disproportionate affect on primary schools.

A member asked if there were opportunities to arrange some services differently which are currently centrally held and therefore delegate funding to schools for these purposes. The Director of Children's Services agreed but emphasised that some services were statutory and also that the LA held a key role in quality assurance. Any such changes would need further debate with schools and careful consideration. The consequences of allocating money should be considered carefully, because once allocations were made, such actions were difficult to reverse.

The Consultant made reference to the increase in the numbers of schools experiencing financial difficulties and operating with deficit budgets. She also referred to Appendix 2 to her report where she was trying to show the full budget allocations of schools banded in sizes. She drew members' attention to the fact that 69 schools in the county receive some sort of protection which had been agreed by the Forum and that the funding for this came from schools with greater pupil numbers. The emphasis being that all schools are affected by reducing rolls. She referred to the fixed base allocation that primary and secondary schools receive for management and premises before pupil numbers are considered and paragraph 11 endeavoured to show objectively the consequences of the fixed base allocation. She emphasised that a combination of reductions in expenditure achieved through the possible reduction in the number of schools would mean that those funds would remain within the Individual Schools Budget for redistribution via the funding formula across a smaller number of schools. With regard to Appendix 1 to the report, she stated that Herefordshire compares favourably with neighbouring councils in retaining less at the centre than most. Referring to Appendix 3, she informed members that the

table demonstrated the affect of falling rolls on individual schools over a three year period and the indicative budgets according to cluster allocations using January 2008 pupil numbers. The model would be updated using January 2009 numbers at the end of September.

A Member drew attention to the fact that funding was in place until 2011 and that the Task Group notice this for discussion. The Director agreed with the point made. She advised the members that the Task Group had found this funding aspect quite complex and particularly wanted the Forum to discuss this aspect and comment to the Group.

The Director advised that the purpose was to bring the detailed information to members with a view to the Forum discussing how future decisions can be considered.

The Consultant emphasised that the report shows that it will not be possible to maintain the status quo but that some changes must be made to enable children to receive the best education possible.

A member expressed concern that if the current allocation of funding was maintained, it would be at enormous cost to schools.

The Consultant was of the view that resources for the provision of education in Herefordshire were currently overstretched and not sustainable in the medium term.

The Director advised that the current funding system was creaking at the edges in its entirety and it would mean an open and transparent debate in many forums to address the issues. The Schools Task Group was addressing the problem.

A member referred to the recent article in the local press which stated that as a consequence of decisions taken at today's meeting of the Forum, some schools will close. She suggested that a public statement be made to advise the public on the current situation with regard to schools.

The Director informed members that she would consult Councillor PD Price, Cabinet member for ICT, Education and Achievement together with the Chairman of the Forum to make a public statement.

The Consultant emphasised that there is a need to formulate a view at Cabinet level and Task Group level and to achieve a vision for children.

RESOLVED: That as trends in falling pupil numbers and attendant reductions in funding will require a re-evaluation of existing provision necessitating consideration of a schools reorganisation, the Schools Forum is therefore looking to Cabinet to provide a lead on how this issue can be taken forward and that the lead should be clarified by the Cabinet within the next financial year.

19. REVISED CONSTITUTION FOR SCHOOLS FORUM

The Head of Planning Policy and Performance presented a report regarding the proposed revision of the constitution. He advised that following on from the last meeting, the constituent bodies had been consulted and their comments were included in the report. He informed members that he would ensure that School Finance would be included in induction training for new members as a key issue.

A teacher staff representative informed the Forum that at a recent meeting of teaching staff, the meeting was of the view that their representation on the Forum should remain at two, one representative for primary schools and one for secondary schools.

An Early Years and Extended Services Member supported the need for the representation for early years to remain at two members and that in reducing the proposed membership to one member would not give adequate representation on the Forum to serve all the providers and children.

A 14 -19 partnership representative strongly supported the need for two members on the Forum for the reasons as set out in the report.

The Head of Planning Policy and Performance informed members that the new membership would be phased in for current members taking into account their remaining term of office. He advised that there would be consultation between Financial Services and the Budget Review Working Group to formulate a Forward Plan.

RESOLVED: That, subject to the following amendments, the proposed revised constitution as attached to the report be approved to take effect on 1 September 2009:

- (i) the Teaching Association representation be deleted to be replaced with one primary school Trade Union representative and one secondary school Trade Union representative;**
- (ii) there will be two Early Years and Extended Services representatives;**
- (iii) there will be two 14-19 Partnership representatives;**
- (iv) Herefordshire Association for Secondary Headteachers will be set the Term of office for their representatives to comply with a maximum three year term of office.**

The meeting ended at 3.15 pm

CHAIRMAN