

**SCHOOLS FORUM
8 DECEMBER 2016
4.37 - 6.04 PM**



Present:

Schools' Members

John Throssell, Primary School Governor (Vice-Chairman)
Liz Cole, Primary Head Representative
Grant Strudley, Primary Head Representative
Debbie Smith, Secondary Head Representative
Anne Shillcock, Special Education Representative

Academies' Members

Beverley Stevens, Academy School Representative

Non-Schools' Members:

George Clement, Union Representative (Chairman)

Observer:

Councillor Dr Gareth Barnard, Executive Member for Children, Young People & Learning

Apologies for absence were received from:

Dr Keith Stapylton, Primary School Governors
Brian Fries, Secondary School Governor
Keith Grainger, Secondary Head Representative
Martin Gocke, Pupil Referral Unit Representative

35. Declarations of Interest

There were no declarations of interest.

36. Minutes and Matters Arising

Item 28 - had a spelling mistake in the second paragraph that would be amended.

Item 28 - The membership of the forum was raised by Anne Shillcock and it was expressed that the number of vacancies was disappointing. The membership was regularly reviewed and officers have tried for some time to get a full compliment of members. Officers had been unable to fill the vacant position of Diocese Representative (Roman Catholic), Diocese Representative (Church of England) and 14-19 Partnership Representative for some years now. Beverley Steven's had written to the other academy schools in an attempt to fill the vacant Academy Governor position, but had been unsuccessful. It was also widely acknowledged that there was currently a large turn over in Primary School Governors. Officers had recently approached Bracknell and Wokingham College regarding the 14-19 Partnership Representative but had been unsuccessful. A further attempt would be made in the New Year.

Item 30 – The Medium Term Financial Plan for the SEN Resource Unit at Garth Hill was not yet available and would be brought to a Schools Forum meeting in the New Year.

RESOLVED that the minutes of the meeting held on 8 December 2016 be approved and signed by the Chairman as a correct record.

37. **2017-18 Schools Block element of the Schools Budget - Initial Matters**

The Schools Forum received a report setting the current scene on the School Block element of the Schools Budget and an update on the initial matters that needed to be dealt with in order for the timely preparation of the 2017/18 budget. Further decisions would be required in January when all of the information was available.

At this stage, there is only provisional funding information available but it is important to make some early decisions so that budget planning can be suitably progressed to ensure that the council would be able to meet the DfE deadline of 20 January 2017 for Local Authorities to submit the actual Funding Formula and units of resource that would be used in 2017/18.

The key points and decisions being requested at this stage were:

- The DfE would provide a cash flat funding settlement for the Schools Block, meaning no increase for inflation or other pressures although increases in pupil numbers would be funded
- As a result, there would be increased funding from the DfE arising from an extra 396 pupils in schools which at +2.6% was significantly larger than the +1.9% increase experienced in each of the previous 2 years
- Schools supported continued BFC central budget management of the services the DfE permits to be 'de-delegated' from schools although in future an annual update on each of the services would be provided to confirm performance and impact
- The £0.26m funding transfer from the Education Services Grant into the Dedicated Schools Grant should, as intended by the DfE, be used to fund LA 'retained' statutory and regulatory duties
- That maintained schools supported contributing £20 per pupil to the cost of meeting 'general' statutory and regulatory duties that the council is obliged to meet despite the DfE withdrawing funding of £77 per pupil
- A saving of £0.096m would be realised from the Brakenhale School academy conversion which results in charitable status and eligibility to 85% charitable rates relief
- Taking account of the agreed budget strategy and the estimated amount of available resources, the budget changes that were considered the highest priority to fund in 2017-18 at this stage were:
 - Changes in pupil numbers
 - Changes in pupil characteristics, which typically benefit the most vulnerable children
 - Diseconomy and start-up costs at new and expanding schools, as set out in the approved policy
- Agreeing all the proposals would require a draw down from the accumulated surplus balance on the Schools Budget of £0.256m.
- There would be an estimated £1.7m of unfunded pressures falling on schools next year, which amounts to around 2% of current spending levels.

As a result of the Members questions, the following points were made:

- Schools found it difficult to commit money to 'de-delegated' services without understanding what they could do for the school, or whether they provided a good service. LA officers confirmed that an annual performance would be provided each year in advance of the relevant budget decision.
- Schools were making savings from re-organising their staffing structure and this is forecast to result in overspend on the redundancy 'de-delegated' budget this year. This is the first over spending for three years and reflects the difficult financial environment.
- The 'de-delegated' staff supply cover costs were mostly for maternity cover. The proportion of the spend was approximately £300k.
- If more schools acadamisised then 'de-delegated' support service budgets would also reduce requiring a consequential cost reduction in order to provide value for money, sustainable services. However there were still many unknowns surrounding acadamisisation and it was difficult to speculate the speed in which this could occur. The impact on 'de-delegated' services would need to be taken on a case by case basis.
- The duties, set out on pages 131/132 of the report, indicated what the £20 per pupil deduction to support 'general' LA statutory and regulatory duties could be spent on.
- The additional £20 per pupil deduction would put enormous pressure on some schools.
- There was a limited 'de-delegated' budget available for those schools that were struggling to meet the new financial pressures.

RESOLVED that all Forum Members **AGREED** the following recommendations:

- That subject to relevant provisions being contained within DfE Funding Regulations, the funds being transferred from the Education Services Grant to the Dedicated Schools Grant for 'retained' education related statutory and regulatory duties can be held centrally by the Council within the Schools Budget (paragraph 6.22 of the Report).
- On going central retention by the Council of Schools Block funding for the services set out in Annex 4 (paragraph 6.32 of the Report).
- The provisional budget changes for 2017-18, as set out in Table 4, subject to sufficient resources being available (paragraph 6.47 of the Report).

RESOLVED that all Forum Members **NOTED**:

- That schools are again likely to face significant unfunded cost pressures next year that are currently estimated at £1.7m an average of 2.1% (paragraph 6.49 of the Report).

RESOLVED that Primary School representatives only **AGREED**:

- The continued de-delegated of budgets for the services permitted by the DfE (paragraph 6.17 of the Report).

RESOLVED that Secondary School representatives only **AGREED**:

- The continued de-delegated of budgets for the services permitted by the DfE (paragraph 6.17 of the Report).

RESOLVED that School representatives only **AGREED**:

- That subject to relevant provisions being contained within DfE

Funding Regulations, a £20 per pupil contribution is made by maintained schools towards the cost of delivering 'general' education related statutory and regulatory duties (paragraph 6.28 of the Report).

38. Apprenticeship Levy

The Members received an update on the issues surrounding the introduction of an apprenticeship levy, the quota of apprentices for public sector employers and the plans being made by the Council.

Full details of the scheme were yet to be released by Central Government which meant that only a limited update with identification of potential issues was available at this time, but the Council was in the process of formulating a strategy to meet the issues that are expected to emerge.

Once final details are known, the Council would update school Bursars and Head Teachers and present the Schools Forum with a full overview.

RESOLVED that the Schools Forum **NOTED** the current position as set out in Annex 1 of the report.

39. Consultation on Proposals for 2017-18 Early Years Funding

The Schools Forum received a report seeking comments on proposals from the council for the funding arrangements to be put in place for Early Years (EY) provisions from 2017-18 and to approve the release of the consequential consultation document to providers and other interested parties.

Changes need to be made in order to meet new requirements from the DfE, of which the key elements were set out as:

- Extending the free entitlement from 15 to 30 hours a week for eligible working families from September 2017
- BFC would receive an extra 14.1% in per pupil funding rates in 2017-18, rising to 20.1% in 2019-20 when a contribution to transitional funding protection to LAs losing money ends.
- LAs could retain no more than 5% of funds for centrally managed budgets that did not ultimately get passed on to providers
- An SEN inclusion fund, Disability Access Fund (DSF) and general contingency could be maintained and these would be outside the 5% cap as the expectation is that the funds would ultimately be passed on to providers
- The local EY Funding Formula would have to allocate at least 90% of funding through a uniform base rate paid to all providers, irrespective of their setting type or background
- Hourly top-up rates could be paid when providers meet eligible criteria, but would be limited to:
 - Deprivation
 - Flexibility
 - Delivering the additional 15 hours
 - Efficiency
 - sparsity

The key proposals from BFC in the published report related to:

- Holding a maximum of 3% in budgets centrally managed by BFC
- Establishing an SEN inclusion fund, a DAF and a provider contingency
- Pay a uniform hourly base rate of around £4.08 (92.75% of available funds) and include only the following hourly top up supplements for:
 - Deprivation (5%)
 - Flexibility (1%)
 - Delivering the additional 15 hours (1.25%)

To support the consultation, two evening briefing sessions would be held in January for providers to attend to raise questions and comments.

In order to have sufficient time to engage with local providers on the best way to meet the new requirements, the local BFC consultation was proposed to be released on 9 December. This was originally expected to be in advance of final DfE decisions as to delay any further would put at risk a successful 1 April implementation. However, on 1 December, between the publication of the Forum report and the actual meeting, the DfE did release details of how EY funding would need to operate from 2017-18 and this did include a number of significant changes from the original consultation document.

This late information required a supplementary report to be emailed to members and tabled at the meeting which included some revisions to the original published paper to reflect changes made by the DfE from those contained in the original consultation proposals. The key changes in the tabled paper all related to the local EY Funding Formula and were:

- To increase the amount to be paid through supplements that would need to be funded through a reduced amount of uniform base rate, which was now estimated at £4.00 per hour (91% of available funds)
- For the supplements
 - Deprivation (5%). Would now take account of both Income Deprivation Affecting Children Index (IDACI) scores and eligibility to EY Pupil Premium,. Each measure to distribute 2.5% of available funds.
 - Quality now to be used (3%). Not originally allowed but will now be permitted. This would have different, but similar eligibility criteria compared to the existing supplement.
 - Delivery of the additional 15 hours (0%). No longer to be permitted, originally to allocate 1.25%
 - Flexibility (1%). No change
 - English as an additional language was not originally allowed but will now be permitted. Proposed to support these children through a centrally managed BFC budget rather than include within the hourly rate supplements.

As a result of the members questions, the following points were made:

- The reason for the current differential base rate funding of £3.17 to schools and £3.71 to PVI providers was mainly as a result of evidence from the 2010 provider cost survey that identified that schools had minimal accommodation costs compared to PVI providers who generally incurred rental costs.
- The additional staff costs that schools had to incur were financed through the quality supplement, with most schools receiving the middle supplement of £0.27 per hour.
- Only one school received the highest quality supplement rate, which is now proposed to be removed.

- In terms of being able to deliver the additional 15 hours to eligible parents that wanted to take it up, BFC had worked closely with many of the PVI providers regarding this. There had also been engagement with childminders and out of school provided such as holiday clubs. Most of the feedback had been positive, but it was still early days with many of the providers waiting to see what the funding looks like before committing to providing extra hours

POST MEETING NOTE:

Final pre-publication checking of the BFC EY consultation document identified an error in the calculation of the deprivation top-up supplement. In calculating the number of EY pupil premium children that would be funded, the calculation used the total number included on each of the 3 termly census counts, rather than converting each count number to an annual average. The effect of this was to overstate numbers by around 300%. Using the correct number of EY pupil premium children and allocating the proposed 2.5% of funds through this measure would result in an hourly top up rate of £1.93 which is considered too high. The final consultation document therefore proposes that 4% of available funds are allocated for deprivation via IDACI scores and 1% via EY pupil premium rates. This would maintain the total 5% allocation through deprivation measures, produce outcomes similar to those presented in the annex to the published report and result in an hourly top up rate for EY pupil premium children of £0.77 compared to the original calculation of £0.66.

RESOLVED that the Schools Forum **AGREED** the distribution of the EY funding consultation document and supporting papers at Appendices 1 and 2 of the original report, after making the changes set out in this report, subject to any further amendments agreed by the Schools Forum.

RESOLVED that the Schools Forum **NOTED**, following a nomination process, that Michelle Tuddenham has been appointed as the new EY provider representative on the Schools Forum (paragraph 6.3 of the original report).

40. **Revenue Funding Policy for new and expanding schools for 2017-18**

The Schools Forum received a report to agree that the Start-up and Diseconomy Funding Policy for New and Expanding Schools approved for 2016-17 is extended into 2017-18, subject to minor changes. The policy includes the same detailed funding model and illustrates how it was intended to work. Due to the long term nature and reliance on external factors, such as the pace of housing developments, the cost forecast and the actual timing of the need for places arises should be viewed as provisional and subject to revision.

The two changes proposed to the policy from what was previously agreed for 2016-17 were:

- 1) to increase the staffing related start-up funding allocation for an all through school from 0.4 fte 0.6 fte to reflect the additional requirements.
- 2) to cease diseconomy top-up funding when the school had admitted up to 80% of final planned capacity, rather than 75%. This was considered a more realistic figure, especially for smaller schools.

As a result of the Members' questions, the following points were made:

- The LA had a clause within the Academies initial contract setting the admission number, inline with the Admissions Policy for the first two years.

- It had been hard to predict the speed of housing developments. Housing Developers tended to keep their projections to themselves and not keep in line with original schedules. This could have a significant impact on the actual timing of when the new schools would be delivered.
- The admission number at new schools would be restricted from the outset of a New or Expanding School. This would start low and increase as the development grew.
- In terms of increasing the start-up funding for a new all through school, officers confirmed that discussion with the provider had made a strong case to increase the HeadTeacher allocation from 0.4fte to 0.6 fte and this would cost between £7k - £8k of the total £14k increase.

RESOLVED that the Schools Forum **AGREED** that the updated new / expanding schools funding policy should be applied in the 2017-18 financial year.

41. **Dates of Future Meetings**

The Forum noted that future meetings would be held on the following dates:

12 January 2017

9 March 2017

25 May 2017

CHAIRMAN