

**SCHOOLS FORUM
20 SEPTEMBER 2018
4.30 - 6.10 PM**



Schools' Members

Liz Cole, Primary School Representative (Headteacher)
Karen Davis, Primary School Representative (Headteacher)
Neil Davies, Primary School Representative (Headteacher)
Peter Floyd, Special School Representative (Governor)
Martin Gocke, Pupil Referral Unit Representative (Governor) (Vice-Chairman)
Keith Grainger, Secondary School Representative (Headteacher)
Roger Prew, Primary School Representative (Governor)
Phil Sherwood, Primary School Representative (Headteacher)
Debbie Smith, Secondary School Representative (Headteacher)

Non-Schools' Members:

Michelle Tuddenham, PVI Provider Representative (Co-Optee)

Observer:

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

Apologies for absence were received from:

Jane Coley, Academy School Representative (Headteacher)
Dominic Asater, 16-19 Partnership Representative

59. Election of Chairman

The Forum was invited to elect a Chairman but no nominations were forthcoming. There were no nominations either for Vice-Chairman.

The Forum was therefore advised that, in view of the number of vacancies and the obvious reluctance of anyone present to take on either role, further discussions would take place outside the meeting regarding the roles. After further discussion, Martin Gocke agreed to take the Chair for this meeting.

Martin Gocke in the Chair

60. Declarations of Interest

Debbie Smith declared an interest in item 8, Arrangements for Additional Financial Support to Schools.

61. Minutes and Matters Arising

The minutes of the meeting of the Forum held on 21 June 2018 were confirmed and signed by the Chairman as a correct record.

Arising on the minutes, the Forum noted that:

- The figure £3,600 in minute 53 should be £3,500.
- The primary focus rather than focus of the Forum as referred to in minute 50 should be financial.

In addition, arising on minute 54, the officers were seeking to ensure that all SEN data was accurate and that the right support was there for those children who needed it. A funding bid to provide the additional capacity was being submitted and a school site sought which was willing to house the provision which would be for primary pupils as the gap in provision was at primary rather than secondary level. It would be a hub from which the right services would be available for the children who required it in the borough. The Department for Education would select the provider.

The Forum was, however, reminded that the Schools Forum had previously rejected the view that there was enough funding for vulnerable pupils. As a result, it was agreed that there was a need to have a further discussion at the next meeting on SEN and alternative provision.

The Forum was also advised that discussions about CAMHS in East Berkshire was ongoing. Opportunities were also being explored to do more joint commissioning in relation to health services overall and not just CAMHS.

62. Consideration of Academy School Membership on the Forum

The Panel was invited to consider whether it was appropriate for two of the academy school representatives to be from the same academy group.

After some discussion, it was apparent that, whilst the Forum may seek to influence the decision to ensure that one multi-academy group was not over-represented, it had no power to make the decision. In the circumstances, Paul Clark was asked to write to the academy schools asking if they wished to nominate a representative to the Forum, and, if more than three were forthcoming, seek to agree an appropriate appointment mechanism.

RESOLVED that Paul Clark engage with the academy schools to fill the current vacancies on the Forum, in as representative a way as possible.

63. School and Education Funding for 2019-20: Preliminary Information

The Forum considered a report on the latest government announcements on school funding and inviting it to consider some initial matters that would need to be considered as part of the 2019-20 budget setting process. It built on a number of previous briefings and decisions and incorporated the Department for Education's (DfE) technical paper Schools Revenue Funding 2019 to 2020 Operational Guidance. Paul Clark made a presentation to the Forum.

The Forum was advised that the Department for Education was in the process of implementing national funding reforms for schools and education with the introduction of a new national funding formula to distribute funds to local authorities via the ring-fenced Dedicated Schools Grant (DSG). This was based on a further formula, the Schools National Funding Formula (SNFF), that would eventually have to be used to distribute funds to individual schools.

The SNFF would contain uniform units of resource which would be paid at the same value for every school in the country, other than where an area cost adjustment was added to reflect specific, geographic costs. Bracknell Forest would receive a 5.61% local area uplift. To minimise the impact on individual school budgets, the new framework was being introduced on a phased basis and was expected to be fully implemented from April 2021 at which point there would be a much more limited role for local authorities in determining budget allocations for their local schools.

The reforms to the funding framework would be accompanied by additional funding. Initially this was announced at an extra £500m, but this was subsequently increased by a further £1.3bn for schools and high needs budgets across 2018/19 and 2019/20. Budgets beyond 2020 would be confirmed in the next spending review.

The Forum's attention was drawn to the following key elements of the new funding system:

1. The basic amount that every pupil would attract in 2018/19 and 2019/20 would increase from 2017/18 levels.
2. In calculating local authority funding allocations through the aggregation of individual school budgets on the SNFF, there would be gains of up to 3% a year per pupil, with every school receiving at least a 0.5% a year per pupil cash increase.
3. There would be minimum per pupil funding rates in 2019/20 for primary schools of £3,500 and secondary schools of £4,800. Meeting these minimum rates would be outside the 3% cap, meaning some schools would exceed the maximum 6% two year increase.

Before taking account of any potential increases in pupil numbers, provisional calculations indicated that per pupil funding for Bracknell Forest schools would increase by 2.4% next year (circa £1.529m) as further gains were experienced as the transitional funding arrangements moved on one more year. A small number of pressures had also been identified, most notably in respect of the widely known additional support required by new schools to fund diseconomy and other costs which was provisionally estimated at £1.3m. A joint funding proposal for these costs between the council and schools, including general unallocated balances held in the central Schools Budget, would be considered by the Executive in October.

The Forum was invited to comment on how the budget should be built and whether any specific questions should be asked of schools through an autumn term financial consultation. It's views were to be taken into account in producing the consultation with schools to gather wider views which would aim to conclude before 19 October 2018. The outcomes were to be reported to the Forum at its meeting on 6 December 2018 together with associated budget proposals. Final budget decisions would need to be taken on 17 January 2019 with the DfE notified no later than 21 January 2019.

Updated information on the teachers' pay award was provided. The DfE had not accepted the STRB recommendation for the first time. The pay award would be met by way of a Teachers' Pay grant to cover the additional cost above 1% which had been budgeted for. It was to be expected that ongoing funding would be addressed as part of the forthcoming spending review, but this had not been confirmed. The Forum was briefed on the anticipated basis of the calculation but advised that further guidance was expected.

The focus of the ensuing discussion was on a three-way approach to meeting the financial challenges facing the schools. This would be based on funding from the accumulated Schools Budget reserves and balances, the schools and the Council. The Executive Member for Children, Young People & Learning advised the Panel; that he was hoping the Executive would support making a contribution to the funding in partnership with the schools.

Although it was suggested that the Schools Forum's should have a duty of care to the schools first and foremost and could not necessarily be expected to support the suggested approach, the Forum welcomed the Council's approach and urged the Executive to do all it could to make a significant contribution to help mitigate the impact of the funding pressures on the schools. The Executive Member reminded the Forum that the Council's budget was finite and therefore any money going to one service would have to come from another, but he wanted the money to go where it was most needed and would achieve the most..

Members had concerns about precisely what the three way approach would actually look like, but were advised that more detailed modelling would be available once the Executive had reached its decision. It was, however, stated that whatever the Council did to help support the schools, there would be a need for existing schools to fund some of the additional costs and there were likely to be other difficult decisions ahead as the Government had not indicated any other forthcoming money.

The Forum also endorsed the questions to be put to the schools regarding the approach to funding which included also gathering views on how available money should be distributed to schools..

RESOLVED that

- 1 In order to aid planning for the 2019-20 budget for schools, the proposed approach to setting the 2019-20 Schools Budget be as follows:
 - 1 The Schools Budget will be set at the eventual level of grant income plus accumulated balances and reserves
 - 2 There will be no requests from the council to transfer funds between the different funding blocks of the DSG.
 - 3 Specific funding for pressures will only be provided (subject to sufficient resources) where it is included in the financial settlement from the DfE, represented a statutory requirement or a local priority. At this stage, this would be limited to:
 - (a) increases in pupil numbers,
 - (b) changes in the cost of business rates,
 - (c) anticipated growth allowance payments, in particular to existing schools experiencing significant in-year increases in pupil numbers or meeting the needs of Key Stage 1 class size regulations and diseconomy and other costs associated with new schools.
 - 4 To recognise that in the long term, schools budgets would be calculated through the SNFF, budgets for Bracknell Forest schools would again be calculated to be as close a fit to the SNFF as possible.

- 5 Furthermore, reflecting the estimated average per pupil funding increase of 2.4% and the intention to closely match the SNFF:
 - (a) The MFG would remain set at the highest permitted value of +0.5%, and match the minimum per pupil increase applied in the SNFF - the cost of funding protection to be financed through limiting gains at relevant schools.
 - (b) Minimum per pupil funding rates would be set at £3,500 for primary aged pupils and £4,800 for secondary, the same as applied in the SNFF.

- 6 That the services currently managed centrally by the council and funded through the CSSB would continue to be centrally managed, with budgets capped at the amount of CSSB DSG funding.

- 7 That views be sought from schools on:
 - (a) Whether the services permitted to be 'de-delegated' should continue to be returned to the council for central management.
 - (b) Whether to continue with the £20 per pupil contribution to 'general' education related statutory and regulatory duties that the council needed to meet from general resources, following withdrawal of £1.2m of DfE grant funding.
 - (c) Should a top slice to fund new schools be required, whether the remaining money should be:
 - (i) as close a fit to the SNFF as possible; or,
 - (ii) to boost funding to those schools receiving the lowest increases by meeting the 0.5% minimum increase and £3,500 and £4,800 minimum funding rates

- 2 That it be noted that:
 - (a) The Council's Executive would be considering a joint funding proposal with schools to meet the diseconomy funding costs arising as a result of the new school building programme and that this would have a significant impact on how the Schools Budget was funded.
 - (b) A review of pupil and place planning forecasting arrangements was to be undertaken by an independent, external specialist.
 - (c) Initial budget proposals for High Needs and Early Years services were to be presented to the Forum in December, when more up to date budget information would be available.

64. **Arrangements for Additional Financial Support to Schools**

The Forum considered a report seeking its approval for additional financial support to schools, in particular, approval of new applications for licensed deficit arrangements. An update on the current position in respect of previously agreed loans was also presented, as well as an update on the funding allocations made to schools in

financial difficulties under the powers delegated by the Forum to the Executive Director: People.

The Forum was reminded that schools could experience short term financial difficulties for a number of reasons and these would normally be readily resolved over the medium term. To help manage change through a planned rather than reactive process, the Schools Forum was able to agree support measures to maintained schools. Proposals for financial support for 2018-19 included agreeing medium term financial plans in three schools that required permission to overspend in aggregate by up to £0.590m in the short term but demonstrated the ability to fully repay the overspending and return to a surplus position.

The Forum noted that the previously agreed loans for the following schools were on target to be repaid in accordance with the agreed conditions:

- 1 Easthampstead Park Secondary School;
- 2 Birch Hill Primary School;
- 3 Ascot Heath Infant School;
- 4 Sandhurst Secondary.

Further requests were considered from Sandhurst Secondary, The Pines Primary School and Winkfield St Mary's Primary School.

The level of need at Sandhurst Secondary concerned the Forum. It was advised that the officers were confident that, despite the high level of support required, the increase in the school's number of pupils, would enable it to repay the loan. It was acknowledged that, although the department was generally aware of emerging financial problems in schools, the Sandhurst case had come as a surprise. With increasing financial pressures, there was no guarantee that another case of this magnitude would not occur, although monitoring was such that it was hoped this would not happen.

The Forum was advised that the increased requests for financial support showed that the current financial environment was having an effect on schools and would need to be monitored carefully to ensure schools could meet their financial obligations arising from the loans.

RESOLVED that, subject to the school governors confirming the funding schedule and compliance with the associated terms and conditions of the available deficit arrangement:

- 1 Sandhurst Secondary School receive a licensed deficit of up to £0.510m, for full repayment by 31 March 2022;
- 2 Pines Primary School receive a licensed deficit of up to £0.075m, for full repayment by 31 March 2021;
- 3 Winkfield St Mary's Primary School receive a licensed deficit of up to £0.030m, for full repayment by 31 March 2021.

NB: Debbie Smith, having declared an interest, left the meeting prior to discussion of this matter.

65. The Schools Budget - 2018-19 Budget Monitoring

The Forum considered a report on the 2018/19 forecast budget monitoring position for the Schools Budget, in order for it to be aware of key issues and management actions being taken and progressed to date on the Education Capital Programme.

Initial monitoring of the revenue budget indicated a forecast year end underspend of £0.116m which mainly arose as a result of the revised amount of Department for Education (DfE) grant income being £0.163m greater than the amount assumed when the budget was originally set. Work on the provision of school places continued to progress through the capital programme, with the secondary phase at Kings Academy Binfield now open and various other projects in progress. Significant maintenance schemes at schools were also underway, prioritised through the findings of condition surveys.

Capital spend of £13.636m was anticipated this financial year, with £9.439m slipping into 2019-20 to reflect the phasing of works. However, with the market continuing to tighten significantly and prices increasing, there was an on-going need for reviews of scope to remain within individual project budgets. At this stage, there was expected to be sufficient DfE grant funding and developer contributions plus the investment from the Council to fully finance the schemes required in the short term, with funding pressures expected to arise over the medium term. Due to an urgent and pressing need to complete a substantial number of high cost roof repairs, the planned maintenance programme was also facing pressure in delivering all the works required within available funds. However, a small amount of funds was being held in reserve for emergency works. This pressure was expected to continue into the medium term.

RESOLVED that:

- 1 The net forecast revenue underspending of £0.116m be noted; and,
- 2 That progress to date on the Education Capital Programme be noted.

66. Dates of Future Meetings

The Forum was advised that its October meeting would not be required, therefore, its next meetings were scheduled to take place at 4.30pm on:

6 December 2019
17 January 2019
14 March 2019

A briefing for members of the Forum would take place at 3.30pm before each of the meetings.

CHAIRMAN