

## Schools Forum 8 January 2016

### Agenda Item

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- 8 **SCHOOLS FORUM FUNDING GROUP UPDATE**  
Minutes from Schools Forum Funding Group meetings



INVESTOR IN PEOPLE





**Schools Forum Funding Group Meeting**  
10 December 2015, The Outen Room, Green Park  
Meeting opened: 9.30am  
Meeting closed: 12pm

**Present**

*Members*

Pete Rowe, Tessa Haddon, Alan Rosen, Michael Moore, Steven Sneesby, Wendy Terry.

**Officers**

Emma Wilding, John Huskinson, Gill Shurrock

**1. Apologies for Absence/ Changes in Membership**

Apologies were received from Katherine Douglas and Sue Stamp

**2. Declarations of Interest**

None

**3. Minutes of the last meeting**

The minutes of the meeting held on the 13 November 2015 were agreed as a correct record.

**4. Admissions Appeals**

The Department of Education is proposing to make a change to section 6.2 of the Scheme for financing schools guidance, to include admission appeals as one of the services in which a local authority can charge school budgets for agreed services.

**The options are:**

1. The local authority can continue to retain the funds centrally, or
2. The centrally retained monies are shared with all schools and then all schools are charged for their admission appeals.

**The impact on schools**

Option 1: If this option were followed then voluntary aided, foundation and academy schools could no longer be charged for appeals.

Option 2: all schools would be charged for appeals (having had finances distributed)

The full impact of each option would be considered before a final decision was made. The impact would therefore not be until 2017-18.

**Recommendation**

**That if the proposed change comes into force, during 2016/17 Buckinghamshire Local Authority would consult all schools and seek the approval of the members of the Schools Forum representing maintained schools as to their preferred way of managing appeals charges from 2017/18.**

Clarification of the number of primary school and 11 plus appeals received would be requested.

**Emma Wilding/Debbie Munday**

A business case would be presented at the March meeting of Schools Forum which includes the impact of the proposed change on all schools based on real data.

**Action: Emma Wilding**

## 5. High Needs funding

The Central Spend proposals 2016/17 were discussed. The key points highlighted were:

- There was a £1.5m pressure on the budget for high needs next year.
- There were savings in some areas and additional pressures in other areas.
- This year there had been a decrease in the number of children and young people placed outside the local authority.
- The Local Authority has a robust process in place with regards to placing pupils in specialist provision, both within and out of the local authority.
- Last year the spend on independent schools was approximately £16m. This year the spend was approximately £13m. Last year there was an overspend; this year spend is back on budget.
- The PACE centre numbers had decreased over the last 18 months as the needs of the children are being met locally.
- In 2014/15 the High Needs funding block was allocated to 153 pupils in schools comparison with an estimated 225 in 2015/16 and represents a 24% increase.
- There had been a 17% increase in the request for high needs funding from pre-schools.
- 3.2% of children and young people in Bucks have an education, health and care plan (EHCP) or a Statement of SEN in comparison with 2.8% nationally.
- Bucks currently has 12 special schools.
- A weekly report is received which advises the number of requests for Education Health Care Plans.
- There is a 20 week statutory timeframe for the completion of EHCPs.
- By 21 March 2018, all existing Statements of Special Educational Needs are either to be converted into an Education Health and Care Plan (EHCP) or ceased if no longer necessary. Local Authorities are required to publish a conversion strategy for this process.
- The current 5 year strategy for SEND ends in July 2016. It has been agreed that a SEND review will take place from around mid-January until the end April 2016 which would include the provision of 5 year place planning for special educational needs and a 5 year DSG budget plan. An initial scoping meeting will take place in mid January. Benchmarking with other local authorities would take place as part of the review.
- There are a number of ARPs across the local authority that meets a range of SEN. Recently, some ARPs have changed their designation to support pupils with ASD, which is a growing area of need.
- There had been an increase in the number of requests being received for Education Health and Care Assessments.
- There is huge pressure on Special School places and demand is increasing. Concern has been expressed about not being able to meet demand.

Members of the Schools Forum Funding Group were advised that despite some last minute announcement from DfE regarding extra high needs funding (worth c £1m to Bucks in 2016/17) as part of a £90m+ national pot, the growth in high needs results in a significant net pressure which needs to be funded.

To avoid having to ask schools to fund this in 2016/17 from schools block, it was suggested that the £3.3m remaining capital contribution from DSG for pre-existing capital schemes could be rephrased, so that instead of it being £3.3m in 2016/17 then £0 thereafter, it became £1.65m for 2016/17 and 2017/18 then £0 thereafter.

**This option would be recommended for agreement by members of Schools Forum subject to the APT announcement.**

A spreadsheet giving details of the Central Spend Proposals for 2016/17 and a separate paper setting out Primary Lump Sum, High Needs, sector specific issues such as prior attainment, and the percentage of schools represented would be presented at the Schools Forum meeting on the 8 January 2016.

**Action: Emma Wilding**

## **6. Remaining Central budget**

Following recommendation by the Schools Forum Funding Group that the DSG budget be reduced by 5% in 2016-17, budget holders were asked to provide full justification of their budgets. A business case was requested if the 5% saving for 2016-17 was unable to be met which included the impact on service delivery. If sufficient information was not provided for Schools Forum to agree to give back the additional 5%, the assumption would be the 5% saving would be taken.

## **7. Modelling of Formula changes**

Modelling took place on the current formula with every factor pro rata to 98.5% to fit with the funding available. Modelling also took place in comparison with figures two years ago. The four new models were:

- Model 6 - Prior Attainment Balance
- Model 7 - AWPU Balance
- Model 8 - AWPU Balance retaining ratio
- Model 9 - Secondary Increased Lump Sum AWPU Balance

Following discussions model 6 was discounted as the move to the figure of £386 for Prior Attainment was felt to be too large; model 7 was discounted due to the primary/secondary ratio of 1:1:24; model 9 was discounted as it was felt unnecessary to increase the secondary lump sum in Bucks.

Model 8 was presented to members of Schools Forum for the consultation.

## **8. Legal position of current Schools Funding consultation**

An Equality Impact Assessment would be undertaken as part of the process.

**Action: John Huskinson**

A reminder about the closing date for the Formula consultation would be put in the Schools Bulletin.

**Action: Emma Wilding**

## **9. Any other business**

None

## **10. Date of the Next Meeting**

Friday 26 February 2016, 9.30am, Green Park, Aston Clinton



**Schools Forum Funding Group Meeting**  
 13 November 2015, The Outen Room, Green Park  
 Meeting opened: 9.30am  
 Meeting closed: 1.30pm

**Present***Members*

Pete Rowe, Tessa Haddon, Alan Rosen, Katherine Douglas, Michael Moore, Jinna Male (substituting for Steven Sneesby).

**Officers**

Emma Wilding, John Huskinson, Jonathan Carter, Melanie Coyle, Sandy Ayton, Sylvia Kershaw

**Contributors**

Debra Rutley

**1. Apologies for Absence/ Changes in Membership**

Sue Stamp, Wendy Terry and Steven Sneesby

**2. Declarations of Interest**

The following declarations of interest were made:

- Pete Rowe as students from Princes Risborough School use Aspire facilities
- Debra Rutley as a member of Schools Forum
- Jinna Male as Head of Alfriston School
- Tessa Haddon as School Governor

**3. Minutes of the last meeting**

The minutes of the meeting held on the 9 October 2015 were agreed as a correct record. An executive summary of the minutes is to be produced for Schools Forum.

**4. School Support Staff pay increase – Sandra Ayton/Sylvia Kershaw**

There were three elements for consultation with Schools management:

- Annual percentage increase across all ranges – from April 2016
- The new National Living Wage – from April 2016
- The withdrawal of the National Insurance rebate for employers and those employees in the Local Government Pension Scheme (LGPS) - from April 2016

The National Living Wage (NLW) is being introduced on the 1 April 2016 at £7.20 for all workers aged 25 years and over.

Of the 4,854 (239 FTE) Bucks Pay-Schools employees paid through the BCC payroll, range 1A and 1B make up a significant proportion of the non-teaching workforce.

- Range 1A x 1,120 (239 FTE = 23% of employees (10% of FTE)
- Range 1B x 1,842 (908 FTE = 38% of employees (38% of FTE)

The two options suggested to address the impact of the NLW for this group of employees are:

- *Option A – delete Range 1A and contract Range 1B to a two point scale by 2020*
- *Option B – retain Range 1A (in line with NLW) and contract range 1B to a two point scale by 2020*

## **Members of Schools Forum Funding Group AGREED;**

1. that the paragraph 4.1 Annual Increase 2016/17 of the report should be amended to the following:

**Schools management are asked to confirm their proposal on a percentage pay increase for all pay ranges in April 2016.**

**1% Yes / No**

**Other - please state:**

2. that **Option B – retain Range 1A (in line with NLW) and contract Range 1B to a two point scale by 2020 be recommended for agreement by Schools Forum.**

A brief paragraph is to be put on the Schools Bulletin in the format of a consultation document with two questions.

### **5. Modelling of the Formula changes**

Following discussions at a meeting of the Working Group, modelling took place on the current formula with every factor pro rata to 98.5%. Modelling also took place in comparison with figures two years ago. The four new models were:

- Model 6 - Prior Attainment Balance
- Model 7 - AWPU Balance
- Model 8 - AWPU Balance retaining ratio
- Model 9 - Secondary Increased Lump Sum AWPU Balance

Following discussions model 6 was discounted as the move to the figure of £386 for Prior Attainment was felt to be too large; model 7 was discounted due to the primary/secondary ratio of 1:1:24; model 9 was discounted as it was felt unnecessary to increase the secondary lump sum in Bucks.

A spreadsheet would be produced identifying the top 10 winners and losers for model 8.

**Action: Melanie Coyne**

**Members of Schools Forum Funding Group recommended that Model 8 is used as the model for Formula Changes.**

### **6. Capital Programme and funding from DSG**

A meeting of the Working Group took place on the 9 November 2015 to discuss the capital programme. Further meetings have been arranged to discuss this in more detail, to understand any issues, the implications of the gap and the priorities.

### **7. Licences**

Members of the SFFG were advised that in 2015/16 a budget of £250k was set to cover Licencing costs. However, after the budgets had been agreed, a further 4 licences were added to the list giving an additional cost of £126k.

The licences listed in the report are a statutory requirement.

The EFA were asked to confirm if there would be further new licences added to the list. The response received was no new licences were expected although settlement has not been received as yet.



It was suggested the section about rates reserve be removed from the licences paper and added to other papers about central spend and savings.

**Action: Emma Wilding**

The rates reserve was within the formula for the forecast overspend. The value of the rates for each school needed to be set. There had been an issue with some academies not sending rate returns to the EFA and in turn, the Local Authority not being informed of the payment amount required. A figure had been set aside for two years in anticipation of this payment.

**Members of Schools Forum are asked to agree whether a 2% increase in cost assumption for the cost of licences is sufficient, and therefore to agree to top slice an additional £140k for licences**

### **8. Growth Fund**

Following agreement at the last Schools Forum meeting that the Diseconomies Funding would be discussed by the Contingency Group, Michael Moore, Tessa Haddon, Sue Stamp, John Huskinson and Jonathan Carter attended a meeting at Lace Hill Primary Academy to discuss the figures and principles of the funding.

The key points highlighted were:

- It is a DfE requirement that the local authority will use its Growth Fund to fund any new Academies or Free Schools and the associated start-up costs including diseconomy of scale costs.
- The provision of funding is for a period of 4 years or until the school is at 90% pupil capacity. In the case of Lace Hill Academy, this equates to £250-£280k over a 3 year period.
- Following discussions on the predicted budget, the IT figures quoted will be looked at in further detail.
- There is currently no broadband facility at the academy or on the housing estate where it is located.
- It was agreed that the financial modelling and outcomes would be reported twice a year to the local authority for review (at the end of the financial year and the academic year).
- It was agreed that a specific percentage of surplus could be retained to allow the academy to build up reserves.

**Members of Schools Forum Funding Group recommended that:**

- **The amount to be deducted over a three year period.**
- **There is a ceiling amount of funding of £262k**

A payment schedule would be produced.

**Action: John Huskinson**

### **9. Contingency for Deficits**

A model was produced sharing the 618k on an equal basis between lump sum and AWPU. A paper outlining the model will be tabled at the SF meeting.

**Members of the Schools Forum Funding Group recommended agreement of the model.**

## **10. Surplus balances at Aspire schools**

Following agreement by members of Schools Forum that those schools showing a surplus balance of 20% or above will be asked to provide an explanation for the surplus, Debra Rutley, Headteacher, Aspire attended the meeting to give clarification of the surplus position of The Wycombe Grange at the end of March 2015.

Debra made the following points:

- The previous Headteacher of The Wycombe Grange had an excessive overspend but was never challenged.
- The previous Headteacher of Blueprint also had an overspend which was inherited when the budgets merged.
- Aspire became a buy back service. The organisation needed to be run like a business.
- A new school 'The Chiltern Skills and Enterprise Centre' was opened in September 2014 which sold services to schools.
- The surplus from The Wycombe Grange was invested in schools in the north of the county (Blueprint). The deficit of £300k has now been reduced to £140k. The Wycombe Grange invested heavily into Blueprint by increasing teaching and support staff, changing the building and improving resources.
- Aspire has running costs of £5.2m
- £2.43m is funded by the Local Authority via a Service Level Agreement.
- The organisation has 61 places for permanently excluded children which are funded by the Local Authority.
- Base funding is for 192 places
- The organisation has an income target of £2.79m per year. It operates as a Traded Service similar to Bucks Learning Trust.
- The excess surplus allows the organisation to operate year on year without worrying about staffing costs etc.

**Members of the Schools Forum Funding Group recommended in principle that Aspire is treated as other maintained schools.**

## **11. Central Costs**

Schools Forum approval was required on a line by line basis of Central Costs.

**Members of the Schools Forum Funding Group recommended the following:**

- **The modelling of the figures takes place based on 95% (5% is to be removed from early years and high needs areas).**
- **Central Costs are agreed on a line by line basis provided the figures were not higher than last year.**
- **A fundamental review of Central Costs would take place in 2017/18**

## **12. Any other business**

None

## **13. Date of the Next Meeting**

Friday 11 December 2015, 9.30am, Green Park, Aston Clinton

**Schools Forum Funding Group Meeting**  
10 December 2015, The Outen Room, Green Park  
Meeting opened: 9.30am  
Meeting closed: 12pm

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*Members*

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**Officers**

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**Recommendation**

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**Action: John Huskinson**

A reminder about the closing date for the Formula consultation would be put in the Schools Bulletin.

**Action: Emma Wilding**

## **9. Any other business**

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## **10. Date of the Next Meeting**

Friday 26 February 2016, 9.30am, Green Park, Aston Clinton

