

Minutes

SCHOOLS FORUM

MINUTES OF THE MEETING OF THE SCHOOLS FORUM HELD ON TUESDAY 15 MARCH 2016 IN KNIGHT HALL (MAIN ROOM 2), THE COACH HOUSE, GREEN PARK, ASTON CLINTON, COMMENCING AT 2.00 PM AND CONCLUDING AT 4.45 PM

PRESENT

Headteachers	Mr P Rowe (Vice-Chairman) Mrs D Rutley Mr D Hood Ms O Davison-Oakley Ms S Stamp Mr A Rosen Mr S Sneesby Ms S Skinner Mr K Patrick Mr O Lloyd Ms R Richardson	Princes Risborough School Wycombe Grange PRU Cressex Community School Seer Green Church of England School Long Crendon School Aylesbury High School Kite Ridge House PRU Bowerdean School Chiltern Hills Academy Iver Heath Junior School Haddenham St Marys School
Governors	Ms T Haddon (Chairman) Mr S Kearey Mr D Letheren Mr A Ogden Dr K Simmons Mrs G Bull	Newton Longville Church of England Combined School Great Kingshill Church of England School Wycombe High School Chesham Grammar School Cressex Community School Haddenham St Mary's Church of England School
Representative	Mr A Nobbs Ms C Glasgow Mr M Moore Ms W Terry	Ashmead School NASUWT Catholic Diocese of Northampton Manor Farm Pre-School
In Attendance	Mr Z Mohammed	
Officers	Mr J Huskinson, Ms E Wilding, Ms S Griffin, Ms J Nicholls, Mr N Wilson, Ms M Edmonds, Ms P Richardson and Ms G Shurrock	



INVESTOR IN PEOPLE



1 APOLOGIES FOR ABSENCE / CHANGES IN MEMBERSHIP

Apologies for absence were received from Mrs K Douglas, Mrs A Coneron, Mr A Gillespie and Ms A Sayani.

2 DECLARATIONS OF INTEREST

There were no declarations of interest.

3 MINUTES

The minutes of meeting held on 8 January 2016 and 19 January 2016 were agreed subsequent to the following minor amendments.

Minutes of the 8 January

Page 11 bullet point 12

The proposal is being forced disproportionately on disadvantaged children is to be amended to '***the proposal could potentially have a disproportionate impact on disadvantaged children***'.

Page 13 – bullet point 2

Descent to be amended to ***dissent***

Minutes of the 19 January

The following bullet point is to be added:

Some members of the Forum felt that a vote could not be taken on the proposed models without the relevant data.

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Members voted on whether a vote on the proposed models should take place:

In Favour: 17

Against: **5**

Abstain: 0

The following action is to be added to the minutes:

Details of the funding allocation to schools would be circulated to Members.

ACTION: Finance Officer

4 MATTERS ARISING

Academy representative

The election of an Academy representative would be discussed at BASH. **ACTION: Mr Rowe / Mr Rosen**

DBS Charges Review

Why are academies charged more for Business Services Plus? Ms M Edmonds, Commercial Manager, Business Services Plus explained that from an HR point of view academies required indemnity insurance as they had their own identity. She explained that there was no differential in the price for services such as broadband and ICT.

Why are small schools charged less – there was some feeling that small schools are adequately taken care of through the schools funding formula and therefore should not be subject to special treatment? It was felt that this was an issue that could be addressed for 2017-18. Ms Edmonds explained that the DBS/Safeguarding package was changed last year following feedback from small schools. Ms Edmonds reported that:

- No feedback had been received from small schools in terms of shared services packages for bursars and headteachers.
- Issues raised about the Property Services review were being addressed.
- The help desk facility had come back in-house, which would result in greater visibility in areas of the service such as accurate and timely billing.

Admissions Appeals

Would consultation take place with all schools or just voluntary controlled schools? Mrs E Wilding advised that consultation would take place with all schools and a review of the process would be required in light of the National Funding Formula.

Concern was expressed that money is allocated to schools for bulge classes when there is significant capacity in secondary schools where expansion has been funded. **ACTION: Mrs Wilding/Member Services Officer to invite School Place Planning team to provide an update at a future meeting.**

There are places available in schools in local areas and some schools are fuller as a result of housing build. **ACTION: Mrs Wilding to seek a response from Mrs Campbell Balcombe.**

5 SEN UPDATE

Ms G Shurrock, Head of SEND and Ms P Richardson, Consultant leading on the SEND Review, were welcomed to the meeting.

Ms Shurrock explained that the High Needs funding consultation, held between 7 March 2016 and 17 April 2016, was a two stage process: part 1 – High Level Principles; part 2 - detailed proposals and the impact on local authorities.

Members were informed that the current system for distributing funding to schools was felt to be out of date, unfair and based historically on local spending and that the review proposed a move of funding from central to local government, together with the use of proxy indicators of need.

Members were advised that apart from 2 Greater London Authorities, the percentage of pupils with a Statement of SEN or Education Care Plan was never less than 1% and that this figure was 3.28% in Bucks compared to the national average of 2.8%.

Members were informed that key points from the report included:

- Ofsted found that, with appropriate support, pupils with severe and complex needs were able to make outstanding progress in both mainstream and special schools.
- Currently maintained special schools, special academies and non-maintained special schools all receive funding of £10,000 per place from either the local authority (in the case of maintained schools) or the EFA.
- Any provision for special SEN units in independent schools (including provision in independent special schools) was currently funded wholly by local authorities. From 2017-18 the proposal was for the £10,000 place funding to come straight from the EFA.
- A proposed change to the way additionally resourced provisions (ARPs) were currently funded (£10,000 per place), in terms of special SEN units receiving the per pupil amounts that would be due to the school, by including the pupils in the units within the school's pupil count, plus place funding of £6,000.
- Improvements to the funding arrangements and guidance to help local authorities, early years providers, mainstream schools, colleges and other institutions with students aged 16-25 who had SEN and disabilities
- The DfE's agreement with ISOS that that the current concept of a notional SEN budget should be removed as local authorities varied in the way they
- calculated their schools' notional SEN budget ; however there were no details of how this would take place. Work needed to take place with SENDCOs and School Business Managers to consider the possible outcomes of the removal of notional SEN and the effect on Early Years funding.
- Subject to the more detailed modelling, possible allocation of the High Needs Block to local authorities on the basis of a formula which might include factors related to deprivation, prior attainment, disability and general children's health rather than currently being allocated based on historic spend. Members were advised that there would also be an allocation of approximately £4,000 based on the current number of pupils in special schools in Buckinghamshire.
- The use of two attainment indicators, at the end of key stage 2 and 4 (both primary and secondary)
- The proposal of using both FSM and IDACI as in the schools national funding formula.
- The inclusion of an element of current spending on SEN in the national formula, based on 2016-17 planned spending levels, for at least the next five years, which would give local authorities time to plan and implement infrastructure and other changes in future provision that could benefit new SEN entrants in the system.
- The use of an area cost adjustment in the same way as in the mainstream schools formula; one possibility was based on a general labour market cost factor, while the other ("hybrid") included the relative costs of teachers' pay in particular areas of the country.

- Adjustments would be made to reflect demographic changes and the movement of students between schools and areas i.e. those pupils in special schools moving from one local authority area to another and an adjustment to try to balance the nett importer/exporter.

Members were advised that Buckinghamshire had a higher rate of children and young people with a Statement or EHCP and therefore spent a higher amount on High Needs.

Ms Richardson explained that since end of January 2016, extensive conversations had taken place, in particular with school leaders, about High Needs and that visits had taken place to all Special Schools in the county. Ms Richardson advised that the Resource Group which included representation from Social Care and Health groups as well as officers from the County Council were meeting on the 19 April to discuss a wide range of information, data, placement trends, priorities and concerns and to refine the focus of the Review. Members were informed that one of the main drivers for the Review was the end, in July 2016, of the current SEND and Inclusion Strategy.

In discussion, the following points were raised.

- Parents and carers had been included in the consultation process via two routes: Families and Carers Together in Buckinghamshire (FACT Bucks), a group of parents and professionals who met to discuss the issues affecting children and young people with additional needs and disabilities in Buckinghamshire; and Buckinghamshire Special Educational Needs and Disabilities Information, Advice, and Support Service (SENDIASS). Engagement was also taking place with Youth Voice as part of the consultation process.
- During the last review, one area highlighted was the PACE provision and the high cost of an independent out of county provision. The number of children placed in PACE centres beyond Buckinghamshire had seen a dramatic decrease as a result of enhanced provision within the local authority area.
- The concept of schools becoming academies would be discussed as part of the Review as Academies now had the freedom to liaise with other local authorities in relation to pupil places. A concern was raised about the potential impact if a local special school became an academy and most of the places were used by out of county children. The statutory framework needed to run alongside pupil place planning.
- The hybrid methodology is better. The general labour market methodology over-funds the additional teacher costs in high cost areas (para 2.64) and to return to this approach would significantly under-mine the principle of fair funding.

6 CONTINGENCY GROUP UPDATE

Mr M Moore explained that it had been difficult to write the Terms of Reference for the Contingency Panel which would cover all eventualities. The meeting was told that one of the key issues was the definition of the term 'financial difficulty' as, for example, a school could be holding a surplus for a specific purpose but could be still facing a deficit.

Members were reminded that in order to qualify for a payment from the Contingency Panel, a school must prove that it was in 'financial difficulty' and that to improve consistency in decision making at the Panel, it would be useful to have an agreed definition of 'financial difficulty'.

Mr Moore referred Members to the Contingency Clarification report and the proposed definition of 'financial difficulties' as follows:

Financial difficulties shall be recognised when either:

- a) The latest forecast of the year end results show a deficit or
- b) As a result of the additional costs (being the subject of the Contingency application), the in-year deficit of the school exceeds 2% of the school's budget share.

Members were also advised that the Terms of Reference for the Contingency Panel had been redrafted to cover the term 'free' as well as a minor change in the Terms of Reference:

Principles and criteria

iii) Support for additional pupil numbers

- b) "that insufficient **free** reserves and balances are able to cover these costs"

Members of Schools Forum were asked for guidance on dealing with applications for additional school numbers (a school having more children in September than anticipated) which was therefore not funded from October to March. Mr Moore explained that traditionally the Contingency Panel would look at whether the increase in pupil numbers presented financial difficulty for the school and any resulting additional costs, following which the school would be asked to justify the expenditure. Mr Moore said if the Panel were satisfied that the request was reasonable, the usual approach adopted in most cases would be to grant payment of up to seven twelfths of AWPU.

Members were asked for clarification of the interpretation of the Terms of Reference:

Interpretation A

Grant 7/12 of the AWPU for the additional pupils provided that the school could justify support by demonstrating that it had incurred significant additional teaching and/or other costs. The advantage being this is a very straight forward approach in responding to an application without the need to try and match the additional costs with the "lost" AWPU. The basis of this approach being that the school would have received such monies if it were not for the Government Financial Regulations, which stipulate that the funding per pupil is based on the previous October census.

Furthermore, as well as not receiving AWPU for the additional pupils, the school also suffers additional underfunding as it does not receive funds for deprivation, prior attainment etc

Interpretation B

Grant the amount that the school can justify it has incurred due to the increase in pupils.

Some schools may receive several additional pupils across a number of forms, thereby missing out substantially on AWPU for 7 months, but they may in fact be able to manage this with only minor additional costs by simply increasing class sizes. Therefore contingency sums should reflect the actual cost increases (with a maximum of 7/12 AWPU)

Members of the Schools Forum VOTED as follows:

In favour of option A – 2

In favour of option B – 11

No abstentions

Members of Schools Forum AGREED on interpretation B, the definition of 'financial difficulties' and the additional of the term 'free' to the Term of Reference.

Members were advised that at the end of the financial year there would be approximately £10,000 remaining which was of concern as demand for support seemed to be increasing and the Panel had less money than the previous year.

Members were informed that the membership of the Contingency Panel did not currently include representation from a special schools head teacher and were asked to consider the legality of representation from a special schools head teacher for specific meetings of the Panel.

ACTION: Mr Sneesby to discuss representation with a colleague.

In discussion, the following points were raised.

- A school would not receive funding retrospectively for the period of September to March for additional pupils. The additional pupil numbers would be in the October count and would therefore be included in the figures for April of the following year.
- Funding was received based on the October census. A counter argument was that there would be extra funding in schools where pupil numbers were reducing.
- In terms of the process in other local authorities and whether the Contingency Panel was the right mechanism, until two years ago Contingency funding was not allowed. The Government then amended regulations enabling funds to be used for pupil growth.
- It would be worth looking at the process used by other local authorities as Members of Schools Forum need reassurance that that best practice had been adopted.
- Infant sized classes regularly need a full time teacher. Seven twelfths AWPU would not cover the salary for this post.
- Some schools might be able to add 2 pupils per class across the range and the cost would be minimal, whereas another school might need an additional teacher which would result in extra costs.
- The Panel received approximately 15 applications each meeting, half of which were for additional pupil numbers.
- Whether schools would have space to accommodate extra pupils if there was a

sudden rapid growth in pupil numbers, and how the education of pupils would be funded, in particular, those with additional needs.

- What the best way of addressing the issue of schools in difficulty would be, as the Schools National Funding Formula consultation meant there would be a 7 month delay until funding was received.
- Schools Forum had agreed a growth fund/strategy for unanticipated school places but the strategy did not include the cases being dealt with by the Contingency Panel. Schools Forum had set aside £462,000 for unanticipated growth in 2016/2017 but the funding was from maintained schools only.
- An application for Contingency funding could be refused if a school was found to have a significant surplus in context to the size of the school.
- The question of whether schools were using free reserves effectively for the benefit of current pupils.

ACTIONS

- **The following four members of Schools Forum agreed to act as an Appeal panel to discuss any applications that had been declined by the Contingency Panel: Mr N Wilson, Mrs T Haddon, Mr A Nobbs, Mrs G Bull**
- **The appeal process used by other local authorities would be looked into – Director of Education.**
- **The Terms of Reference for the Contingency panel would be updated accordingly to reflect any changes to the appeal process - Mrs Wilding**

7 F40 UPDATE

The Cabinet Member for Education and Skills advised that a summary of the f40's proposal in response to the National Funding Formula for Schools had been circulated to Members of Schools Forum which included the following key points.

- The f40 group proposes a new model for distributing education funding in England to create a fair and rational model of funding for schools. The f40 model retained the existing Dedicated Schools Grant structure with three blocks: Schools, High Needs and Early Years.
- The favoured proposal was for a core formula to produce a local authority level total, with each local authority then having discretion on local allocation. This option would ensure consistency offer local flexibility and provide sharp local accountability.
- The model used a needs-based formula for each block, recognising the costs of educating children in different parts of the country and taking into account pupil characteristics such as deprivation and other additional needs.

The Cabinet Member explained that there would always be circumstances that made one school different from another and the report highlighted the need for some differential funding but generally that opportunities for a child, wherever they were in the country, should be able to be met by similar levels of resources.

Members were informed that the basic premise of the proposal by the f40 group was:

- Any child across the country should receive the same amount of funding wherever they were.
- The model allocated a flat rate of funding per pupil across all regions and included Pupil Premium. The Schools Block should then be distributed between local authorities on six formula factors:
 - Basic entitlement (formerly age weighted pupil unit)
 - Deprivation (based on Ever 6 FSM data only)
 - Low prior attainment
 - English as an Additional Language (EAL)
 - Lump sum
 - Sparsity
- In the interests of transparency, local authorities should use common criteria and data for deprivation, low prior attainment and EAL.
- The recommendation needed to be a formula-based approach with the main factor being pupil numbers.
- f40 had concerns that the current national Early Years funding envelope was insufficient to deliver the existing entitlement to two, three and four year olds whilst recognising the continuing increase in numbers and costs to providers. The Government commitment to extend the free entitlement to 30 hours for working parents added additional financial pressure.
- The national pot for the Schools Block should be increased to take account of exceptional pupil growth i.e. exceptional pupil growth as defined by the DfE.
- The recommendation that the allocations for EAL, deprivation and low prior attainment are 'smoothed' by averaging data over three years.
- The formula should apply to all maintained mainstream schools and academies in exactly the same way and on the same funding year. The preference of the f40 group was for the academic year.

The Cabinet Member said that overall , Buckinghamshire would gain as part of Schools Block but there was a risk within High Needs funding and that the additional responsibility on the local authority resulting from the flexibility to move funding between Blocks was an area of concern.

In discussion, the following points were raised.

- The f40 group acknowledged the change to direct schools funding from 2019/2020 onwards and suggested funding be distributed via the local authority.
- Assuming there were no changes to the current funding envelope, Buckinghamshire would be approximately 3% / £9m better off if the f40 model was used.

8 NATIONAL FUNDING PROPOSALS

Mr John Huskinson took Members through a presentation on National Fairer Funding Consultation highlighting the following key points.

- Every school was free to respond to the consultation and that the local authority would be submitting a response.
- The consultation would run from 7 March 2016 to 17 April 2016 and was a two stage process; stage one high level principles (being presented today) and stage two rates, which was expected to be published in June /July.

Members expressed the following views in response to the questions asked in the consultation.

Question 1 – do you agree with our proposed principles for the funding system?
AGREED with the exception of bullet point 4 – ‘a funding system that gets funding straight to schools’. Reservation was expressed about Schools Forum having the ability to question decisions at local level as well as having democratic accountability.

Question 2 – do you agree with our proposal to move to a school-level national funding formula in 2019-20, removing the requirement for local authorities to set a local formula?
 Members did not agree with this proposal.

Question 3 - do you agree that the basic amount of funding for each pupil should be different at primary, key stage 3 and key stage 4? **AGREED**

Question 4

- a) *Do you agree that we should include a deprivation factor?*
 b) *Which measures for the deprivation factor do you support?*
- *Pupil-level only (current FSM and Ever6 FSM)*
 - *Area-level only (IDACI)*
 - *Pupil- and area-level*

AGREED; however there were mixed views on the option of pupil and area level.

Question 5 - do you agree we should include a low prior attainment factor? **AGREED**

Question 6

- a) *Do you agree that we should include a factor for English as an additional language?*
 b) *Do you agree that we should use the EAL3 indicator (pupils registered at any point during the previous 3 years as having English as an additional language)?* **AGREED**

Question 7 - do you agree that we should include a lump sum factor? **AGREED**

Question 8 - do you agree that we should include a sparsity factor? **AGREED**

Question 9 - do you agree that we should include a business rates factor? **AGREED.**

Question 10 - do you agree that we should include a split sites factor? **AGREED**

Question 11 - Do you agree that we should include a private finance initiative factor?
 Members agreed that a private finance initiative factor should be included if this had been done historically.

Question 12 - Do you agree that we should include an exceptional premises circumstances factor? **AGREED**

Question 13 - Do you agree that we should allocate funding to local authorities in 2017-18 and 2018-19 based on historic spend for these factors; Business rates; Split sites; Private finance initiatives; Other exceptional circumstances. **AGREED**

Question 14 - Do you agree that we should include a growth factor? **AGREED**

Question 15 - Do you agree that we should allocate funding for growth to local authorities in 2017-18 and 2018-19 based on historic spend? Members agreed with question 15; however there should be a recommendation that Buckinghamshire has had more growth than average.

Question 16

a) Do you agree that we should include an area cost adjustment?

b) Which methodology for the area cost adjustment do you support?

- general labour market methodology
- hybrid methodology

AGREED. It was felt that more detail was needed about question b.

Question 17 - do you agree that we should target support for looked-after children and those who have left care via adoption, special guardianship or a care arrangements order through the pupil premium plus, rather than include a looked-after children factor in the national funding formula? A mixed view was expressed about question 17 as agreement to target support depended on the balance of the other factors.

Question 18 - do you agree that we should not include a factor for mobility? A mixed view was expressed about question 18. It was felt that more detail was needed about the mobility factor.

Question 19 – do you agree that we should remove the post-16 factor from 2017-18? **AGREED**

Question 20 - do you agree with our proposal to require local authorities to distribute all of their schools block allocation to schools from 2017-18? Members **DISAGREED** with this proposal. Concerns were expressed about a reduction in flexibility as well as the impact being unclear until the numbers are known.

Question 21 - do you believe that it would be helpful for local areas to have flexibility to set a local minimum funding guarantee? **AGREED**

Question 22 - do you agree that we should fund local authorities' ongoing responsibilities as set out in the consultation according to a per-pupil formula? Members **AGREED IN PRINCIPLE** with this question. The numbers were unknown as yet.

Question 23 - do you agree that we should fund local authorities' ongoing historic commitments based on case-specific information to be collected from local authorities?
Members **AGREED IN PRINCIPLE** with this question; however it was felt that the questionnaire needed to be seen before a definitive answer could be given.

Question 24 - are there other duties funded from the education services grant that could be removed from the system? It was felt that this question could not be answered by Schools Forum.

Question 25 - do you agree with our proposal to allow local authorities to retain some of their maintained schools' DSG centrally – in agreement with the maintained schools in the schools forum – to fund the duties they carry out for maintained schools?
AGREED

In discussion, the following points were raised.

- One of the statements in the presentation was 'a funding system that is fair'. The term 'fair' was open to interpretation.
- The f40 group suggested having a local intermediary body.
- Members were happy to be led by the guidance being presented but the uniqueness in Buckinghamshire needed to be taken into account.
- Whether the role and authority of in determining the funding pot be given to Schools Forum rather than the funding purely being passported
- It was anticipated that the Government would set a formula nationally to have as few variables as possible and effectively payroll funding to schools in order to cut costs.
- There could potentially be a system whereby all schools are Academies in 2019/2020.

9 ANY OTHER URGENT BUSINESS

Dr K Simmons raised the issue of an appeal system needing to be in place as part of the Contingency Panel process. Members were informed that the appeal system had been used but the outcome was still under debate and that an appropriate process was needed.

The Director of Education said his recollection was that any applications refused by the Contingency Panel were currently referred to Schools Forum for resolution rather than being escalated to the Director of Education or the Lead Member.

Mr Moore suggested that four Members of Schools Forum should act as an Appeal Panel to discuss any applications that had been declined by the Contingency Panel.

The Chairman said it would also be useful to look at the process other local authorities used.

ACTION: An appeal process would be discussed and an update given at the next meeting of Schools Forum. (Chairman/Director of Education/Finance Director)

Election of Chairman

Mrs T Haddon explained that her term of office as a Member of Schools Forum finished at the end of April 2016 and thus a new Chairman would be required. Thanks were given to Mrs Haddon for the work she had undertaken on behalf of Schools Forum.

ACTIONS:

- **Election for a new Chairman of Schools Forum at the May meeting**
- **Election for a Combined School Governor representative (Member Services Officer).**

10 DATE OF NEXT AND FUTURE MEETINGS

The next meeting will take place on Tuesday 3 May 2016, 2pm, the Knight Room, The Coach House, Green Park, Aston Clinton.

Future meeting dates:

21 June

27 September

29 November

CHAIRMAN