

SCHOOLS' FORUM

Minutes of the meeting held at 4.30 pm on 9 March 2017

Present:

Andrew Downes (Chairman)	Secondary Academy Governor
David Bridger (Vice-Chairman)	Non-School Representative (Church of England)
Colin Ashford	Primary Academy Governor
David Dilling	Primary Academy Governor
Richard Edmunds	Primary Academy Head Teacher
Patrick Foley	Primary Maintained Head Teacher
Neil Miller	PRU Head Teacher
Sam Parrett	Non-School Representative (14-19 Partnership)
Karen Raven	Secondary Academy Head Teacher
Alison Regester	Non-School Representative (Early Years)
Keith Seed	Special Head Teacher/Governor
David Wilcox	Secondary Academy Governor
Aydin Önaç	Secondary Maintained Head Teacher

Also Present:

Jane Bailey	Director: Education
David Bradshaw	Head of ECHS Finance
Amanda Russell	Head of Schools Finance Support
Carol Arnfield	LBB Head of Service, Education
Philippa Gibbs	Democratic Services Officer
Dr Martin Airey	Head Teacher Darrick Wood
Mr Steve Whittle	Principal Hayes School

34 APOLOGIES FOR ABSENCE

No apologies for absence were received.

The Chairman provided the Forum with an update on the current status of the membership of the Schools' Forum. Following the changes to the constitution endorsed at the last meeting and a further resignation there were now 4 vacancies on the Schools' Forum (1 x Primary Academy Head Teacher, 1 x Primary Academy Governor, 1x Joint Teacher Liaison Committee, 1 x Catholic Church Representative).

A Member questioned whether there should be a Special Academy School Representative on the Forum. The Chairman noted that this would require a change to the constitution which currently made provision for a Special School Representative. The Head of ECHS reported that he did not believe that it was necessary to have a academy representative for Special Schools but agreed to review the guidance and report back to the next meeting.

35 DECLARATIONS OF INTEREST

There were no additional declarations of interest.

36 MINUTES OF THE MEETING HELD ON 12 JANUARY 2017

In relation to the accuracy of Minute 29, two Members stated that they did not recall that the Forum had noted Sam Parrett and Neil Miller were representatives from the same multi academy trust. The Chairman clarified that this had been mentioned at the very end of the meeting and stressed that no decision had been taken. Following discussion, the Vice Chairman suggested that as there was not unanimity concerning the discussion at the end of the last meeting the reference should be left in the minutes. The Chairman confirmed that Sam Parrett remained the 14-19 Partnership Representative and that in terms of more than one representative from the same multi academy trust (MAT) the issue was ensuring that no school or MAT had disproportionate influence.

In relation to Minute 28, the Chairman tabled the email (sent at 09:23 on Wed 25/01/17) that had accompanied the electronic circulation of the minutes from the meeting on 12th January 2017. This noted that:

"Following the meeting of the Schools Forum last week there are a number of issues that were raised in the meeting where we would like to add some additional points of clarification.

Schools Forum report number ED 17032 page 13 paragraph 3.16 – due to an administrative error the AWPU values for all schools show a decrease of £58 per pupil. Please note that these figures are incorrect and the correct figures are as follows:

*Primary AWPU reduced from £2,938 to £2,930 (reduction £8)
Secondary KS3 AWPU reduced from £4,168 to £4,160 (reduction £8)
Secondary KS4 AWPU reduced from £4,559 to £4,550 (reduction £9)*

Please be assured that all other figures in the report have been thoroughly re-checked and we can confirm that they are correct.

LA officers have checked and confirmed that email notifications were received to confirm receipt of all previous consultation responses.

As the maintained school members of the Schools Forum did not agree to the proposed de-delegation relating to statutory duties previously funded through the ESG the proposed budget no longer balances with a shortfall of £97,590. As it is not practicable to adjust school's funding levels at this late stage it is proposed that this funding will be found from within the £3m growth fund."

Some members reported that they had not seen the email before and the Director of Education asked those Members to check their email inboxes. The evidence on the email was that the information was sent to all Members and Officers would

need to confirm that they had the correct email addresses and that there were no other problems with the delivery of emails to Schools' Forum Members.

The Head of ECHS Finance reported that on 31st January 2017, the Education Budget Sub-Committee had noted the comments made by the Schools' Forum around funding and had agreed the budget with no changes. The budget had then been ratified by the Executive on 8th February 2017.

In response to a question from the Vice-Chairman, the Head of ECHS confirmed that the changes outlined in the email of 25th January 2017 had not changed the budget. The Forum also noted that the Chairman had been sent copies of the acknowledgements confirming that the consultation responses had been received by DfE.

The minutes of the meeting held on 12th January 2017, were approved, and signed as a correct record.

37 NATIONAL FUNDING FORMULA PRESENTATION

Report ED17039

The second stage of the DfE consultation on the proposed National Funding Formula for Schools and High Needs was launched on 14 December 2016 with a closing date of 22 March 2017. LA Officers had attended a number of DfE led presentations and seminars which had helped develop understanding of the proposals which were detailed and complex.

The Head of Schools' Finance Support introduced the item. The Forum reviewed the information provided by the DfE and Members noted that individual schools were able to access detailed school-level illustrations through the COLLECT system.

The Head of Schools' Finance Support reported that in her opinion most turbulence in Bromley schools would arise from using IDACI bands for the deprivation factor as this was something that had not been used in Bromley before. Another concern surrounded proposals to fund the growth factor on the basis of historic spend in 2018-19 with the DfE putting forward a proposal to adopt a lagged growth methodology from 2019-20. The implication of this was that there would be no more bulge class funding for schools. A further significant issue for the Schools' Forum to consider was the proposal to include a funding floor in the formula. Although this would provide much needed protection for primary schools the flip side was that secondary schools would not receive the much needed additional funding that had been anticipated.

The Head of Schools' Finance Support had produced a funding formula comparison reproducing the elements of the funding formula. This demonstrated a shift towards funding away from primary schools towards secondary schools. The proposals appeared to indicate a considerable reduction in primary school funding and a modest increase in secondary school funding in the Borough. It was noted that a pupil could attract 3 elements of funding: Ever6 FSM, Current FSM plus 1 ADACI element. The Vice-Chairman noted that the figures reproduced in the comparison were pre funding cap. The Head of Schools'

Finance Support confirmed that funding cuts would be capped but that this protection was not guaranteed beyond two years.

The Schools' Forum moved on to considering its response to the consultation. The Director of Education suggested that where Members had firm thoughts about what should be included in the response they should email these to the Head of ECHS Finance following the meeting. A Member suggested that at the meeting the Schools' Forum should seek to reach a consensus on the general principles that should be included in the response to enable LA Officers to expand on these principles in the draft produced following the meeting.

Question 1: In designing our national funding formula, we have taken careful steps to balance the principles of fairness and stability. Do you think we have struck the right balance?

No. The delivery of a fairer system of school funding has been undermined by an inadequate level of overall funding. Whilst the mechanics and financial impact of the new funding system are set out in detail, the government does not provide evidence that thousands of schools have the ability to maintain or improve performance levels with reduced cash budgets. This is a real concern for schools at a time when savings of 8 per cent are already required to meet wider cost pressures by 2019/20¹. X% of Bromley schools are set to face funding cuts as a result of the funding formula. The redistribution method is wrong. It should be a methodology which analyses what schools need, not how the funding is redistributed.

Members noted that the general principle was that the Forum considered that no schools should be disadvantaged and that the only way to achieve this was to increase levels of funding across the board. It was now clear that Bromley schools were being adversely affected by the proposals. In addition to this Members felt that it was important to highlight the disparity of funding between inner and outer London Boroughs and the unfairness this created.

Question 2: Do support our proposal to set the primary to secondary ratio in line with the current national average of 1:1.29, which means that pupils in the secondary phase are funded overall 29% higher than pupils in the primary phase?

Members felt that it was important to challenge the DfE to provide evidence to support the proposals. It was felt that the ratio was arbitrary and would only add to the pressures surrounding recruitment already faced by primary schools.

The Vice-Chairman challenged the premise of the question, highlighting that secondary schools in Bromley were not going to be funded 29% higher because the 3% cap would distort this figure.

Members felt that it was important to explain in the commentary why the Schools' Forum felt unable to provide an answer.

¹ *Financial Sustainability of Schools*, National Audit Office

The Head of Schools' Finance Support suggested that the response should clearly state that there was divided opinion on the Schools' Forum (between primary and secondary schools) as there was insufficient funding available. There would be more comfort if the DfE were able to provide evidence to support the proposed ratio.

The Primary Maintained Head Teacher representative stressed that in his opinion a key question had to be 'Why do deprived children cost more to educate in Key Stage 3 and Key Stage 4?' The DfE had not provided an answer to this question. The Primary Academy Governor representative suggested that a fundamental reappraisal of need was required and this had not been done. The DfE had provided insufficient information to enable the Forum to provide a suitable response.

As time was critical, Members agreed that general responses to the consultation questions should be agreed at the meeting with a draft consultation response being produced by Officers and circulated to Schools' Forum members for endorsement prior to the Education Budget Sub-Committee meeting on 15 March. If any further minor amendments were required the Chairman could agree these prior to submission of the consultation response.

Question 3: Do you support our proposal to maximise pupil-led funding, so that more funding is allocated to factors that relate directly to pupils and their characteristics?

Yes. Bromley already aims to channel as much funding as possible through pupil-led factors locally, in line with national guidelines. Whilst this should continue under a national formula, it is equally important that schools with exceptional characteristics - such as split sites and PFI contracts - continue to be recognised fairly in the new funding system.

Question 4: Within the total pupil-led funding, do you support our proposal to increase the proportion allocated to the additional needs factors (deprivation, low prior attainment and English as an additional language)?
Yes.

Question 5: Do you agree with the proposed weightings for each of the additional needs factors?

No. Members of the Schools' Forum challenge the evidence on which this proposals is based as there is no basis for it.

Question 6: Do you have any suggestions about potential indicators and data sources we could use to allocate mobility funding in 2019-20 and beyond? Not Applicable

Question 7: Do you agree with the proposed lump sum amount of £110,000 for all schools?

No. The proposed formula could be challenging for schools with a particular faith or community focus, some of which can be as small as 1 FE. The impact on these

schools should be considered specifically as part of the equalities impact assessment.

To support school place planning, the revenue and capital funding systems should work together to encourage the creation of new schools that are of an efficient size and able to deliver a full curriculum. The level of the lump sum is an important part of this incentive, so clearer national guidance on the minimum size of a sustainable new school would be beneficial.

Question 8: Do you agree with the proposed amounts for sparsity funding of up to £25,000 for primary schools and up to £65,000 for secondary, middle and all-through schools? Not Applicable

Question 9: Do you agree that lagged pupil growth data would provide an effective basis for the growth factor in the longer term? No.

Question 10: Do you agree with the principle of a funding floor that would protect schools from large overall reductions as a result of this formula? This would be in addition to the minimum funding guarantee.

The Schools' Forum noted that the principle of a cap had always operated. The Vice-Chairman suggested that in response to this question the Schools' Forum needed to emphasise that there needed to be more money in the system.

Question 11: Do you support our proposal to set the floor at minus 3%, which will mean that no school will lose more than 3% of their current per-pupil funding level as a result of this formula?

Yes. The Schools' Forum agreed however that assurances surrounding the continuation of the stability measures beyond the proposed two years should be sought.

Question 12: Do you agree that for new or growing schools the funding floor should be applied to the per-pupil funding they would have received if they were at full capacity?

No. The response to this question needed to cross reference back to question 9.

Question 13: Do you support our proposal to continue the minimum funding guarantee at minus 1.5% per pupil? This will mean that schools are protected against reductions of more than 1.5% per pupil per year.

Yes.

Question 14: Are there further considerations we should be taking into account about the proposed schools national funding formula?

Yes. *The system of funding new schools from 2018/19 will need to be considered carefully and separate arrangements are likely to be required. Without a baseline against which to apply floors and caps, an unadjusted application of the new formula would lead to severely distorted funding levels for new schools. Factors based on historic spend are unlikely to meet actual costs in high growth areas. For example, the business rates factor will not meet the cost of bills for new and expanding schools. A mechanism for retrospective or in-year adjustment should be introduced for these factors.*

15. Are there further considerations we should be taking into account about the impact of the proposed schools national funding formula?

Many of the cost pressures facing schools, as identified by the National Audit Office, are the direct result of government policy, such as changes to national insurance and pension contributions. Any action the government can take to ease these cost pressures would make the introduction of a fair funding formula less challenging. For example, the apprenticeship levy will apply inconsistently across schools. Whilst standalone academies are likely to be exempt, community and voluntary schools will be eligible for the levy because the local authority is classed as the employer. Bromley does not believe that this different approach can be justified and we call on the government to apply a consistent exemption to all schools with a pay bill under £3 million. London has a higher number of unaccompanied asylum seeking children (UASCs) than other regions and some areas have specific funding arrangements in place locally for this potentially key cost driver. UASCs are an example of an exceptional school-level pressure that a 'hard' formula will struggle to capture accurately at a national level but are currently picked up locally. The impact of the formula on similar cost drivers – uncommon, but highly significant for individual schools - will need to be considered carefully. London's schools are facing considerable pressure to recruit high quality teaching staff across a range of subjects, as well as retaining them in the long term. TES reports in 'A Question of Quality: TES Teacher Recruitment Index'² that London is the region that has the most difficulty currently recruiting teaching staff. Funding reductions could further exacerbate this situation and impact on pupil outcomes.

Question 16: Do you agree that we should allocate 10% of funding through a deprivation factor in the central school services block?

Yes. Deprivation needs to be reviewed on a more local level and not borough-wide.

Question 17: Do you support our proposal to limit reductions on local authorities' central school services block funding to 2.5% per pupil in 2018-19 and in 2019-20?

Yes. We support the inclusion of a funding floor in the new central school services block, but the protection that this isolated mechanism provides in 2018/19 will be insignificant when compared to the cuts to funding for central functions in 2017/18.

Question 18: Are there further considerations we should be taking into account about the proposed central school services block formula?

The Schools' Forum noted that there appeared to be no focus on area cost adjustment.

It was also noted that as a result of the Ofsted Inspection, there would be a number of continuing demands on central services for the most vulnerable young people in the Borough and no funding to support this.

² A Question of Quality: TES Teacher Recruitment Index, TES, April 2016

In relation to the consultation concerning the High Needs Block, it was agreed that following the meeting, the Special Head Teacher/Governor representative and the PRU Head Teacher would draft a consultation response based on the document provided by London Councils and this would be circulated to Members of the Schools' Forum on Monday 13th March, for endorsement in advance of the meeting of the Education Budget Sub Committee on 15th March 2017.

38 ANY OTHER BUSINESS

The Early Years representative reported as a result of a number of the recent changes to Early Years provision and the introduction of the 30 hours Initiative, 2 pre-school settings in the Borough would be closing. As it would likely that this would be a continuing trend this was something the Local Authority may wish to monitor.

39 DATE OF NEXT MEETING

The next meeting was scheduled to take place on 29th June 2017.

The Meeting ended at 6.22 pm

Chairman