

SCHOOLS' FORUM

Minutes of the meeting held at 4.30 pm on 8 November 2018

Present:

David Dilling (Chairman)	Primary Academy Governor
David Bridger (Vice-Chairman)	Non-School Representative (Church of England)
Richard Edmunds	Primary Academy Head Teacher
Angela Leeves	Non-School Representative (Early Years)
Neil Miller	PRU Head Teacher/Governor Academy
Karen Raven	Secondary Academy Head Teacher
David Wilcox	Secondary Academy Governor

Also Present:

David Bradshaw	Head of ECHS Finance
Gillian Palmer	Interim Director: Education
Amanda Russell	Head of Schools Finance Support
Philippa Gibbs	Democratic Services Officer

15 APOLOGIES FOR ABSENCE

Apologies for absence were received from Patrick Foley, Keith Seed and Matthew Apsley. Janice Box attended as alternate for Patrick Foley.

16 ELECTION OF CHAIRMAN AND VICE-CHAIRMAN

The Clerk invited nominations for the position of Chairman of the Schools Forum.

David Bridger proposed that David Dilling be elected Chairman of the Schools' Forum. The motion was seconded by David Wilcox.

Following a vote David Dilling was elected Chairman of the Schools Forum.

The Chairman invited nominations for the position of Vice-Chairman to the Schools' Forum.

Karen Raven proposed that David Bridger be elected Vice-Chairman of the Schools' Forum. The motion was seconded by David Wilcox.

Following a vote David Bridger was elected Vice-Chairman of the Schools' Forum.

RESOLVED: That David Dilling be elected Chairman and that David Bridger be elected Vice-Chairman of the Schools' Forum.

17 DECLARATIONS OF INTEREST

David Dilling declared that he was the grandparent of children in one of the schools receiving falling rolls funding.

It was agreed that the list of declarations of interest should be recirculated at the next meeting to enable Members of the Schools' Forum to update their interests if necessary.

18 MINUTES OF THE MEETING HELD ON 20 SEPTEMBER 2018

The minutes of the meeting held on 20th September 2018 were approved, and signed as a correct record.

**19 2019/20 DEDICATED SCHOOLS GRANT
Report ED18085**

The Schools' Forum considered a report which outlined the estimated Dedicated Schools' Grant (DSG) allocation for 2019/20 and provided an overview of how the grant would be spent. Due to the overall position for the DSG the LA felt it was important to share this information with the Schools' Forum at the earliest opportunity.

The indicative DSG funding for 2019/20 was based on October 2017 pupil numbers and would be uplifted in December 2018 to reflect the October 2018 census data. The DSG for 2019/20 was divided into four blocks (High Needs, Early Years, Schools, and Schools Central) and for indicative purposes the expected income was, subject to any adjustments made as a result of the October 2018 census data :

2019/20 Dedicated Schools Grant					
	High Needs Block	Early Years Block	Schools Block	Schools Central Block	Total
Gross Grant Funding	£47,671,311	£21,149,813	£206,823,914	£1,915,246	£277,560,284
Recoupment adjustment	-£8,319,000				
Net Grant Allocation	£39,352,311	£21,149,813	£206,823,914	£1,915,246	£277,241,284

Schools Central Block

This newly established block was showing a small overspend of around £24k. This was based on the assumption that there would be a contribution of £250k

from Council reserves to offset the deficit. However, should the Council contribution not be agreed significant savings in this area would need to be identified or DSG reserves used to offset this as in previous years. It was noted that the £1m contribution from the Council was currently a projection as no decisions around this funding had been taken.

In response to a question from the Vice-Chairman, the Head of ECHS Finance confirmed that any deficit at the end of the year would be funded through DSG reserves. The Director of Education confirmed that the Local Authority was reviewing all options to reduce expenditure and that as part of this it would be helpful for the Schools' Forum to be provided with a detailed breakdown of expenditure in order to fully understand how funding was utilised.

Early Years Block

The Early Years Block was showing as being balanced however, the income was based on October 2017 pupil numbers which were likely to change considerably in October 18 to reflect the impact of the additional 15 hours which was introduced last year. There was a particular pressure on this block due to the fact that historically Bromley has funded two years olds at a higher rate than that received in the DSG. If there was any pressure on this block then this would likely be the first area to be considered rather than adjusting the 3 and 4 year olds funding formula. The Head of ECHS Finance confirmed that fluctuations in pupil numbers in this block would lead to a corresponding fluctuation in funding and if pupil numbers dropped the DfE would claw back funding.

In response to a question from the Vice-Chairman, the Head of Schools Finance Support emphasised that currently there were no proposals in place that would affect the 2 year old funding. There would need to be detailed modelling of any proposed changes in order to assess the impact and in order for this to happen the Local Authority would need to have confirmation of funding. It was also noted that there would need to be detailed consultation.

The Director of Education emphasised that in Bromley the 2 year old offer was not universal. It was a targeted offer intended to support the most disadvantaged pupils. Prior to any decisions being taken the Local Authority would want to ensure that it was doing the right thing for the most vulnerable children.

The Schools' Forum noted that if there was a reduction in the number of providers offering funded places the Local Authority would need to account to the DfE for the falling rate of take-up. There was no evidence of providers withdrawing from the market as a result of funding issues although feedback from providers had demonstrated that a key issue was the complexity of the paperwork they were required to complete in order to receive the funding.

The Early Years representative reported that there were nevertheless challenges for providers and in order to keep afloat they had to look at other ways for fund raising as the funding that was provided by the Government for places did not cover the cost.

Schools' Block

There had been some changes to the Schools Block Funding. The DfE had moved to a formulaic mechanism for allocating growth funding to LAs as opposed to the practice of using historic funding in previous years. The formula looked at the actual growth in pupil numbers in each LA, broken down into Middle Layer Super Output Areas (MSOAs) and only reflecting positive growth meaning that any negative growth (ie reduction in pupil numbers) was not counted. Using this methodology meant that the growth funding for Bromley had decreased by over £1m from £2.85m to £1.84m. The growth funding that was paid directly to schools following the formula previously agreed with the Schools' Forum had reduced to around £1.6m, in line with the income.

The Schools' Block showed a contribution to the High Needs Block of £1m to help to offset the anticipated over spend in that area. This had been achieved by setting the Minimum Funding Guarantee at -1.25% (last year it was set at a positive figure of 0.3%) and the capping factor had been set at 0%. The impact of this was that all primary schools (with the exception of the free schools that were still growing) lost funding at various levels but no more than 1.25%. Secondary schools did not see any increase other than the inflationary factor which had been applied to the rates funding which sat outside of the MFG. This outcome was anticipated following the move to the NFF in 2018/19.

The DfE operational guidance stated that local authorities retained the ability to transfer up to 0.5% of their Schools Block into another block, with the approval of the Schools Forum. The proposal to transfer £1m equated to 0.48%. To make such a transfer, LAs were required to consult with all maintained schools and academies, and it was recommended that the Schools' Forum should take account of the views of schools before giving their approval. The LA would be releasing a consultation document to all schools outlining their proposal to apply the MFG at -1.25% and to set the capping at 0% in order for £1m to be transferred to the High Needs Block. The Schools Forum would then be asked to make a final decision as to whether or not they would support this proposal at its next meeting.

The Schools' Forum discussed the disproportionate impact that the opening of three new Free Schools had on the budgets of the other schools across the Borough. The opening of the schools had led to additional expenditure within the block with no additional income and this had placed significant pressure on the whole block. Members felt that in principal the decision that had been taken by the Government was wrong and that the funding for new children in new schools should not be taken away from existing children in existing schools. It was also noted that this pressure with funding would be ongoing in future years. The Head of ECHS Finance confirmed that Officers at the Local Authority had already raised this with the DfE and would continue to do so as the decision had been ill thought through. Officers would continue to lobby and it would certainly not do any harm if Members of the Schools' Forum also lobbied the DfE. It was suggested that any representations to the DfE should be submitted in conjunction with London Boroughs through London Councils. The Head of Schools' Finance Support reported that a meeting with the DfE and Schools' Finance Teams in other

London Boroughs was due to take place and she would raise this issue with her counterparts in other LAs.

The Vice-Chairman noted that the key issue was one of lagged funding combined with growth and eventually the funding would catch up. The Secondary Academy Representative highlighted that this had been an issue for primary schools for a number of years. However, as there were more schools, with small budgets distributed across the Borough the issues had been less visible. Now the problem had reached secondary schools larger sums of money were under consideration and it was having a greater impact on teaching and learning and the level of reduction in funding was not sustainable in the secondary sector.

High Needs Block

There continued to be significant pressures on the High Needs Block. The estimated High Needs Funding had increased by £1m to reflect pupil growth in this area. However the expenditure was expected to increase over and above this. Estimated expenditure was based on the pattern of new EHCPs (Education, Health and Care Plans) seen over recent years and on the average cost of a placement. The LA's own special schools and resourced provisions were, in the main, over-subscribed resulting in the continued reliance on independent settings.

A number of savings areas had been identified within the High Needs which were under review or already in place. These included:

- Potential savings of around £280k (part year effect of £163k in first year) by de-commissioning a number of places across three schools where the resourced provision had been carrying vacant places for a number of years;
- To establish a new SEN Advisory Service by bringing together existing teams that offer advice and support to provide support to mainstream schools;
- Improved speech and language therapy offer to hold more children in mainstream and special schools in-borough;
- In partnership with Bromley CCG, Bromley had made a CAHMS Trailblazer application to establish 4 specialist teams to work with secondary schools and pupils in years 5 and 6; and
- Following successful investment in a Primary (school) Outreach Service, planning was underway for a similar short term investment in a Secondary (school) Outreach Service, with a view to reducing permanent exclusion in the secondary sector.

The Director of Education stressed that there were significant pressures in the High Needs Block and circulated some graphs in order to provide context to the funding position. It was noted that the £1m that had been transferred into the High Needs Block from the Schools' Block for 2018/19 would revert back in 2019/20 which was why the Local Authority was once again requesting £1m be transferred. The current pressures in the High Needs Block were a result of the decision that had been taken to transfer funding from the High Needs Block to the Schools' Block 3 years ago. It was acknowledged that the decision had been taken in good faith and that it would not have been possible to foresee the

implications of that decision however; it was now clear that the decision had resulted in pressures in the High Needs Block.

During the extensive discussion that took place, Members of the Schools' Forum agreed that there should be an in principle objection to the idiosyncrasies of the legislation that had been imposed which now left schools facing an unsustainable cut in funding. Concern was expressed around the presumption that children in receipt of funding from the High Needs Block were more important than those in receipt of funding from the Schools' Block as every child mattered and all were equally important. Members of the Forum stressed that whilst it was acknowledged that the high Needs Block needed the funding, schools could no longer afford it from their budgets. Members questioned whether local politicians were fully aware of the huge impact that funding issues were having on schools.

It was noted that through the SEND Reforms the Local Authority were trying to bring money back into the Borough and move away from expensive out of borough independent provision. However this was a long-term goal and there was no quick fix. The Director of Education highlighted that the Council had committed £1m to the High Needs Block for a further year and that this was a significant proportion of its budget.

In response to a question the Head of ECHS Finance and the Director of Education confirmed that if the funding was not agreed and there was an overspend on the High Needs Block in 2019/20 that would be the first call on DSG Funding for 2020/21 as a result of the statutory obligation.

The Schools' Forum noted that there were three possible decisions that it could take:

1. Agree to the transfer of £1m from the Schools' Block to the High Needs Block.
2. Not agree to the transfer of £1m from the Schools' Block to the High Needs Block. In which case the Local Authority would follow due process and make an application to the Secretary of State which may or may not be approved.
3. Agree with a lesser amount being transferred between the two blocks.

It was agreed that the Schools' Forum should take a vote on the recommendation in the report. The Chairman therefore proposed that the Local Authority's request for a dis-application of Schools Regulations to transfer £1m from the Schools Block to the High Needs Block in 2019/20 in line with DfE guidelines be agreed.

2 in favour
5 against

The motion was therefore LOST.

Members of the Schools' Forum agreed that when the Local Authority consulted with schools the option of transferring both £1m and the lesser amount of £500k should be included in the consultation. It was felt that more schools should have

a say in any decision to transfer funding from the Schools Block. In view of this it was agreed that further consultation would take place with the respective Head Teachers' Forums.

RESOLVED: That the proposal to transfer £1m from the Schools Block to the High Needs block not be agreed.

20 ANY OTHER BUSINESS

Membership of the Schools Forum

The Vice-Chairman requested an update on the action that was being taken to address the growing number of vacancies on the Forum.

The Head of ECHS Finance circulated a paper outlining the current vacancies on the Forum which were:

- 2 x Primary Academy Governor
- 1 x Special Maintained School Head/Governor
- 1 x Secondary Academy Governor
- 1 x Maintained PRU Head/Governor
- 1 x Non-Schools Representative (Joint Teacher Liaison)

It was noted that this would have been Keith Seed's last meeting as he is due to retire at the end of the year and as a result of this there will be a further vacancy for a Special Academy School Head/Governor. It was also suggested that following the expansion of London South East Colleges, Sam Parrett should be contacted about a 14-19 Representative to ensure that the sector was represented at meetings.

In addition to this, Paul Murphy had indicated that he would be standing down and this would create a vacancy for a Secondary Academy Head Teacher Representative.

It was agreed that the relevant Head Teacher Forums should nominate a representative and inform the clerk of the nomination in writing.

The Head of ECHS Finance confirmed that Governor Representatives would be sought through the Schools' Circular. In relation to the Maintained PRU Head/Governor, this position applied to only one school and the school was due to convert to an academy. It was therefore agreed that no action would be taken in this instance. The Local Authority would make contact with the Joint Teacher Liaison Committee and request a representative.

The Schools' Forum noted that all appointments would be subject to the conditions laid out in the Schools' Forum Constitution regarding members being from the same School or MAT. The Secondary Head Teacher representative highlighted that it was often difficult to know which School or MAT Governors

came from. It was agreed that this information would be included on the agenda front sheet for relevant members.

The Head of ECHS Finance emphasised that the Local Authority was trying to achieve as wide a representation on the Schools' Forum as possible. As Multi Academy Trusts across the Borough grew in size the existing MAT rule within the Constitution may make this problematic and may need to be reviewed. It was noted that the Head of ECHS Finance would review the Constitution and bring any amendments to the next meeting. Any revisions would then require ratification by the Education, Children and Families Budget and Performance Monitoring Sub-Committee.

Date of Next meeting

The Head of Schools Finance Support reported that the timing of the next meeting would not give the Forum sufficient time to contribute to the DfE return in a meaningful way. It was therefore agreed that the next meeting would be held a week earlier, at 4.30pm on Thursday 10th January 2019.

The Meeting ended at 6.35 pm

Chairman