

**Leicester City Council
Schools Forum**

**DRAFT Minutes of the Meeting held at 1:00 pm on Thursday 22nd September 2016 at
Soar Valley Training Centre**

Present:

Schools members:

Academies:	Jim Cook
Special Academies:	~
Special School Governors:	~
Special School Heads:	Eleanor Shaw
Secondary School Governors:	Janet Washington
Secondary School Head representatives:	Simon Catchpole, Bernie Green, Ian Johnson
Primary School Governors:	Steve Wilson, Wendy Martin, Bernadette Ambler, Daniel Routledge
Primary School Head representatives:	Liz Warren, Nigel Bruen, Martin Fitzwilliam
Pupil Referral Units:	Shaun Whittingham
<u>Non-Schools Members:</u>	
Teaching Unions:	Peter Flack (Chair)
School support staff Unions:	Gary Garner
14-19 Partnership:	~
Early Years PVI Providers:	~
Voluntary Sector:	Wendy Brickett

In attendance:

Ian Bailey	Interim Director of Learning
Kate McGee	Principal Accountant, Education and Children's Services
Simon Walton	Senior Accountant, Finance
Martin Judson	Head of Finance, Education and Children's Services
Lucy Staniforth	Observer (Childrens Centre Teacher)
Josslyn McAuley	Observer (Childrens Centre Teacher)
Joseph Wyglendacz	Observer (NUT)
Ed Rowe	Clerk to the Forum

1. Apologies for absence

Apologies for absence were received from Sandra Hamilton-Fox, Rhian Richardson, Steph McDonald, Sumeya Bhiku and Anne-Marie Jameson.

2. Declarations of interest

There were no declarations of interest.

3. Minutes of the Previous Meeting

The minutes of the meeting held on 30th June 2016 were agreed as an accurate record of the proceedings, subject to the addition of Wendy Martin to the list of members present.

4. Matters Arising from the Minutes

i. Non-domestic rates

The Head of Finance, Education and Children's Services, confirmed that this matter had not yet been progressed. Discussions would take place with the new Head of Property and it was agreed that the issue would be carried forward to a future meeting for a progress update to be provided

ii. Funding for growth in the pupil population

A request was made that, for the sake of clarity, future minutes should refer to "funding for growth in the pupil population" rather than "funding for new arrivals". This was agreed.

iii. Funding Formula Review Group

The Chair of FFRG provided an overview of the meeting that taken place on 8th September 2016, noting that the minutes had already been circulated to all Schools Forum members. The draft consultation document had been discussed and it had been agreed that each question would be given 5 possible answers, instead of a simple yes/no response. In this way, schools would be able to submit more nuanced responses than in previous years. It was also agreed that comments boxes would be provided.

Members noted a potential lack of clarity around the actual end dates for de-delegation within the proposed answers, and it was agreed that they should be amended to make clear that the options included ending de-delegation on either 31st March 2017 or 31st March 2018.

Action: Kate McGee

The Chair of FFRG confirmed that IDACI scores had changed again, and explained the potential impact was a £6.7m reduction in funding distributed through the deprivation factor in 2017/18. However, this money would not be lost entirely and would instead be allocated through other routes such as AWPU.

However, it was noted that a formal disapplication had been granted by the Department for Education last year, allowing Leicester to continue to use the old IDACI values for the current financial year. It was agreed that a new request would be submitted for a further disapplication for the coming financial year.

Action: Kate McGee

iv. BSF lifecycle fund and retained estate works

A meeting had been held as previously agreed between a sub-group of Forum members and Colin Sharpe, Head of Finance (CDN and Resources). It had been agreed that the £5m fund would be used to progress all Level 1 and Level 2 projects, and where possible Level 3 and 4 projects would then also be completed in that order of priority. This was felt to be the fairest approach for all schools.

5. Children's Centre Teachers

It was noted that an evaluation report regarding Children's Centre Teachers had previously been reviewed at an earlier Schools Forum. The Local Authority had subsequently commenced a public consultation exercise on changes to the Early Years provision, which included proposals to reduce the numbers of Children's Centres from 23 to 12.

The School Support staff representative expressed his disgust at these proposals, voicing concern that the outcome was clear before the consultation even commenced and that there would inevitably be adverse impacts upon reading standards and readiness for school amongst the children that currently attended Children's Centres.

By way of a formal vote, Forum members unanimously agreed to fund Children Centre's Teachers for the 2017/18 financial year.

Post-meeting note:

Subsequent to the meeting it was noted that in the unlikely event the DfE change their existing consultation proposals for the allowable level of centralised early year's expenditure (7% in year one reducing to 5% in the following years) then the funding of children's centre teachers will need to be re-visited.

6. Outturn and school balances

The report of the Head of Finance, Education and Children's Services, was received. A key point was that the total DSG unspent balance decreased by £3.1m to stand at £16.7m at the end of the 2015/16 financial year. This decrease had arisen due to a combination of the £1.2m provided to support the primary sector, an additional £1.5m in excess of the Growth Fund to support the growth in the pupil population, and large payments to the Lancaster School and St. John the Baptist Primary School in response to Schools in Financial Difficulty bids.

The in-year allocation for High Needs would not be sufficient to meet the anticipated in-year spend, so it was probable that the High Needs Block would again need support from the DSG carried forward balance. A review of services funded by the High Needs Block was planned in order to reduce costs and ensure the funding would be sustainable from 2017 onwards.

School balances had increased by £1.1m to £19.6m. After the allowed exemptions up to the 10% limit were applied, only £59,000 was available for clawback. As in previous years, it was not intended to apply clawback on this occasion.

Members expressed concern that the headline balances did not reflect the full picture accurately. For example, the Crown Hills balance included funds held on behalf of both EIP and the School Sports Partnership. Other schools noted that they were running in-year deficits, which was not readily apparent from the data presented. It was also noted that schools with PFI contracts were locked into long term spending commitments with no certainty over long term funding, so it was understandable that they would adopt a cautious approach to balances retained.

A suggestion was made that the 10% exemption limit before clawback be reduced, in order to ensure that schools used the funding available for the benefit of current pupils, instead of holding it in a bank account. This proposal was not agreed, but it was decided that all schools would be asked to provide confirmation to Finance with their data return of the date that their Governing Body had approved the decision to retain an uncommitted balance in their bank account.

Members also expressed concern regarding the impact of deficits that may exist for schools that were planning to convert to Academy status. The Lancaster School was one prominent example. Their deficit had been supported from DSG, and it was noted that other schools converting to sponsored academies would potentially have the same impact.

The Interim Director of Learning noted that schools could not convert while they were running a budget deficit, and indeed the Lancaster conversion had already been delayed as a result of the deficit that existed. Although the plan was that they would convert on 1st January 2017, there was still some uncertainty as to whether or not that would actually happen as scheduled.

It was noted that the impact of these deficits on the total unspent DSG balance would inevitably impact upon the funding available for other priorities, such as the support for the Primary sector that had been provided for the last three years.

7. School budgets

The Head of Finance, Education and Children's Services, noted that, as a national funding formula was expected to be introduced, it was not proposed to make changes to the local formula for 2017/18.

8. Consultation on de-delegation

It was agreed that the aim was to start the consultation exercise by 5th October 2016 and that it would run until 26th October.

The draft document would be circulated to all Schools Forum members, and any comments on that version should be submitted to Finance as soon as possible.

Action: Kate McGee

It was noted that there was a lack of clarity within the draft document regarding the responsibility for any redundancy costs potentially arising from stopping de-delegation for specific projects such as Whatever it Takes. If staff members had built up employment rights through continuous service at schools funded by these projects, then redundancy costs would be the responsibility of schools. It was agreed the draft would be revised accordingly and include a specific example to clarify this point.

Action: Kate McGee

The Head of Finance, Education and Children's Services indicated that there was significant and uncertain budget pressures in the short and medium term and all of these would have to be funded from the uncommitted DSG. These pressures include whether or not the DfE will expect LAs to stop carrying forward unspent DSG from a point in time, the pressure of a continual increase in the pupil population in advance of funding increases, the pressure on the High Needs block through increases in special school places and the impact of the national school funding formula on the High Needs Block, together with the desire of Forum to continue the one off support for primary schools.

In light of this it was suggested that a formal decision on extending the primary support be deferred until the November meeting. This was agreed, but members noted the potential adverse impact upon primary school standards if this support was withdrawn. As a result, it was decided that a vote be held on an "in principle" decision to continue the funding. This resolution was approved unanimously, as was a related vote to support an MFG exemption in order to facilitate this extension.

9. Any Other Business

i. Fund for servicing Schools Forum

It was noted that £30,000 was available on an annual basis to support the servicing of Schools Forum. Currently only a small amount (c. £2000) was actually spent, and it was suggested that the remaining balance could be used for the benefit of schools. One possible example was providing training on school finance.

It was noted that Finance representatives were investigating what purposes this money could be used for and would report back in due course. The Interim Director of Learning noted that the underspend on this budget line was currently helping to offset overspends in other areas, so the money was still contributing to the overall benefit of schools.

There being no further business, the Chair declared the meeting closed at 2.10 p.m.