

**Leicester City Council
Schools Forum**

**DRAFT Minutes of the Meeting held at 1:00 pm on Thursday 2nd February 2017 at Soar
Valley Training Centre**

Present:

Schools members:

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

In attendance:

Annette Montague	Head of Service, Raising Achievement 0-19
Kate McGee	Principal Accountant, Education and Children's Services
Simon Walton	Senior Accountant, Finance
Martin Judson	Head of Finance, Education and Children's Services
Matt Wallace	Director, Estates & Building Services
Ed Rowe	Clerk to the Forum
Purminder Samaria	Observer

1. Apologies for absence

Apologies for absence were received from Sumeya Bhiku , Eleanor Shaw, Ann Marie Jameson and Daniel Routledge.

2. Declarations of interest

There were no declarations of interest.

3. Minutes of the Previous Meeting

The minutes of the meeting held on 3rd November 2016 were agreed as an accurate record of proceedings.

4. Matters Arising from the Minutes

i. Non-domestic rates

It was confirmed that a company had been engaged on a "no win, no fee" basis, initially to look at 4 secondary schools. If this proved to be successful, the plan was to roll it out to other schools.

ii. Responsibility for school redundancy payments

A query was raised regarding the outcome of the proposals that had been discussed at the previous meeting. It was noted that no guidance had yet been circulated to schools and some clarification was required. It was agreed that the Head of Service, Raising Achievement 0-19, would follow up the position with the Interim Director of Learning.

Action: Annette Montague

5. Payroll services for academies

The briefing note from the Director of Finance was received. This set out the reasons behind the decision she had taken to withdraw the offer of payroll services to academies.

Secondary business managers who had attended the meeting with the payroll manager commented that their recollection did not match the views expressed in the briefing note. Specifically, schools had confirmed that:

- They would probably have been willing to pay more to continue to use the service, but that option had never been offered
- As more schools converted to academy status, they would have expected more capacity to have been created in payroll rather than less
- More notice would have been appreciated, particularly bearing in mind that the end of the financial year was approaching

The school support staff trade union representative advised that he had asked the Director of Finance to rescind her decision. The decision was viewed as ill-thought out and had been made without any consultation, despite there being a clear impact on staff members. There were concerns that academies that decided to purchase the payroll service from Leicestershire County Council may also choose to use them for their HR services, which would potentially result in redundancies amongst the Leicester City Council HR team.

Members described the decision as short-sighted and noted that loyalty between schools and the local authority had to be a two way process. Schools felt they were being pushed away by the local authority.

There were also concerns raised that this may set a precedent for the withdrawal of other services. It was noted that policy decisions rested with councillors rather than local authority officers, and it was agreed to query whether a formal policy decision had been made in this instance.

It was agreed that the Chair would draft a letter on behalf of Schools Forum to the City Mayor and the Director of Finance to set out the range of concerns. The draft would be shared with Liz Warren, Simon Catchpole, Jim Cook and Steve Wilson for agreement prior to it being sent.

Action: Peter Flack

6. Apprenticeship levy

Members noted that the introduction of this levy was causing concern within schools, and there was a lack of clarity as to who was responsible for paying the levy. The Head of Finance, Education and Children's Services, confirmed that all community schools would have to pay. The local authority would deduct the relevant amount from the schools' funding accordingly.

It was also noted that academies with a payroll greater than £3m would also be subject to the levy.

Funding could potentially be reclaimed for any apprenticeship training that was delivered within schools or academies, but this did not relate to salary costs.

Members expressed concern regarding the impact of this levy on school budgets, which were already stretched. It was agreed that the Chair would write to the three local Members of Parliament on behalf of Schools Forum to register these concerns.

Action: Peter Flack

7. De-delegation 2017/18 report

The report of the Head of Finance, Education and Children's Services, was received. It was noted that Forum had agreed in principle during November's meeting to support de-delegation, but the final amounts had not been determined at that stage.

The report set out the proposed levels of de-delegation, which had been calculated by keeping the per pupil amounts consistent with the previous year. However, three changes to the levels of de-delegation were proposed, relating to reductions in the amounts for licences and Primary School Improvement, and an increase for the Primary Behaviour Support Service.

Members noted that the responses to the consultation exercise that had been carried out supported de-delegation in all areas. Voting then took place by phase for each of the items listed in Table 2 (Section 3.2) of the report. The results were:

a) Licences/subscriptions

Both Primary and secondary members supported the proposed amount unanimously.

b) Behaviour Support Services

6 Primary members supported the proposed amount, with none against and one abstention.

4 secondary members supported the proposed amount, with none against and two abstentions.

c) Primary School Improvement

6 Primary members supported the proposed amount, with none against and one abstention.

d) All other items listed in the de-delegation service section of Table 2

Both Primary and Secondary members unanimously approved the proposed amounts.

It was suggested that Joe Dawson, Head of Service SEND, be asked to report to Forum on the Behaviour Support Service at some future point to aid the understanding of members regarding the services provided by the funding that had been approved.

8. Schools Block Budget 2017/18

The report of the Head of Finance, Education and Children's Services, was received. It was noted that pupil numbers had increased by 1669 (3.4%) from the previous year. As a result, the total Schools Block DSG allocation had risen to £230.836m.

a) Removal of Capital Maintenance Costs from historic commitments

It was noted that the Department for Education had issued guidance in November 2016 confirming that the £1.76m of funding that had previously been retained by the local authority to pay for 'landlord' responsibilities for repairs and maintenance of school buildings now had to be allocated out to schools. As this guidance had come in very late, a decision was needed as to how schools could respond to ensure that statutory responsibilities and related Health and safety issues could continue to be met.

Matt Wallace, Director of Estates and Building Services, presented a proposal for schools to consider. He felt it was inappropriate for schools to take on the associated risks in such a short timescale, noting that they included key items such as asbestos management, fire safety, water hygiene etc. He therefore proposed that schools pool the same level of funding back to the local authority for a further year, which would allow time to develop longer term solutions. A new buy-back service would be offered for schools in the 2018/19 financial year.

This offer was met by very mixed responses from members. Primary representatives advised they thought the existing offer provided a brilliant service that removed a potentially major headache from headteachers. They were more than happy to continue with the existing arrangement.

By contrast, a secondary representative advised that their school had found it virtually impossible to get any expenditure approved from the pooled budget and as a result had ended up paying for virtually all maintenance themselves.

An offer was made for the Director of Estates and Building Services to attend a meeting of secondary business managers to discuss the proposals, which was accepted.

It was also suggested that a letter setting out the proposals should be sent to all Chairs of Governors and headteachers.

b) Historic Commitments

The Head of Finance, Education and Children's Services, advised that approval was requested to the level of historic commitments shown in Table 1 (Section 3.2). The proposal related to Admissions, servicing of Schools Forum/FFRG and Premature Retirement Costs. By a unanimous vote, members approved this proposal.

Forum members were then asked to approve an MFG exemption to allow for £125,000 of funding to be distributed to 4 PFI schools. In 2015/16 this amount had been retained as part of the historic commitments, but that was no longer required for 2017/18. By a unanimous vote, members approved this proposal.

Approval was also sought to the remaining items in Table 1. The proposals for copyright licensing and Education Services Grant transfer were also approved by unanimous voting.

The Head of Finance, Education and Children's Services, pointed out that the ESG transfer supported statutory duties retained by the local authority, and that actual expenditure on these far exceeded the amount that had been requested.

c) Formula Funding factors

The Head of Finance, Education and Children's Services, advised that no changes had been proposed to the formula factors for the coming year, but that deprivation funding was significantly affected by the latest (2015) IDACI data set used by the DfE. As a result, a request had been submitted for a disapplication for 2017/18, so that the 2010 data set could continue to be used. This request had been granted at the end of December.

It was therefore proposed that all schools that would be disadvantaged by the 2015 data set would instead use the 2010 figures. 29 schools would gain by using the new data, and it was proposed AWPU be adjusted accordingly to allow these schools to receive a total of £0.77m of additional deprivation funding as a result.

This proposal was unanimously agreed by members.

d) Growth Fund

A Growth Fund of £1.5m had been created in 2015/16, but expenditure in this area had actually amounted to £2.4m. The proposal for 2017/18 was to increase the fund to the maximum amount possible from the available funding, which was £1.9m. This proposal was approved unanimously by members.

e) High Needs block

The initial High Needs block allocation had risen by £1m compared to the previous year. Budgets for each Special School would be agreed with them before the end of the financial year.

9. General Fund Revenue Budget 2017/18 to 2019/20

The report of the Director of Finance was received. The Head of Finance, Education and Children's Services, advised that £155m of aggregated savings were required, of which £55m still needed to be found.

In Children's Services, significant pressures arose from the rising cost of social care and numbers of Looked After Children (LAC). Consultations were being carried out on Early Years expenditure, which affected the Children's Centres, and also on Youth Service spending. A range of steps were also being taken to try and better control the number of LAC pupils.

There was still an opportunity for Schools Forum members to provide feedback to be taken into account by the full council in their meeting on 22nd February.

It was noted that Scrutiny Committee had recently supported a motion for the executive to reduce the cuts in Children's Services by £1m, by reducing the Highways budget instead. However, it was noted that members had previously been advised that Highways was funded from capital expenditure and the cuts were required from revenue budgets.

Schools Forum members wished to record their empathy for local authority staff members who were affected by the required funding cuts to Children's Service budgets.

10. National Funding Formula Consultation

The Head of Finance, Education and Children's Services, advised that the initial indicative data provided by the DfE showed that only 20 schools in Leicester would lose out under the new funding arrangements, with the remainder gaining. Initial indications showed that using the 2015 IDACI data set reduced deprivation funding for most schools, but this was more than offset by gains from EAL and prior attainment.

It was stressed that these were only proposed figures and it was very likely that funding rates may still be adjusted before final values were confirmed. A meeting was planned for one evening during the week commencing 6th March, at which relevant school staff could be briefed on the facts. The date and venue would be confirmed in due course.

11. Any other business

i) Pupil place planning

The Chair noted that secondary schools had been asked to increase capacity by 1000 places in each of the next two years. Rob Thomas, Head of Admissions and Education Sufficiency, would attend the next Schools Forum to brief members accordingly.

ii) Schools in Financial Difficulty

The Vice-Chair advised that Schools Forum had received an approach from a headteacher of a school in Leicester who had requested to attend Forum to discuss funding difficulties at the school. It had been agreed that Schools Forum was not the most appropriate place for that discussion, as its role was to take decisions on funding affecting all schools and it would not be appropriate to hear appeals from individual schools.

The Vice-Chair and the EIP representative had therefore visited the school in question to discuss their position directly. All schools were encouraged to be pro-active in considering their future financial position, and members noted that funding was tight at many schools and that it was important for colleagues to support each other wherever possible.

There being no further business, the Chair declared the meeting closed at 3.15 p.m.