

**Leicester City Council
Schools Forum**

DRAFT Minutes of the Meeting held at 1:00 pm on Thursday 1st February 2018 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:	Ian Johnson, Simon Catchpole
Primary School Governors:	Steve Wilson, Daniel Routledge, Glenys Mulvany, Wendy Martin
Primary School Head representatives:	Liz Warren, Karl Stewart, Jane Ridgewell, Nigel Bruen
Pupil Referral Units:	~

Non-Schools Members:

Teaching Unions:	Peter Flack (Chair)
School support staff Unions:	~
14-19 Partnership:	Sandra Hamilton-Fox
Early Years PVI Providers:	~
Voluntary Sector:	~

In attendance:

Paul Tinsley	Director of Learning and Inclusion
Martin Judson	Head of Finance, Education and Children's Services
Simon Walton	Senior Accountant, Finance
Yoke O'Brien	Principal Accountant (Schools) Finance
Purminder Samaria	LCC Education and Children's Services Finance
Ed Rowe	Clerk to the Forum
Rachel Webster	Service Manager, Contracts & Business Development (Items 5, 11 & 12 only)

1. Apologies for absence

Apologies for absence were received from Maxine Clewlow, Shaun Whittingham and Gary Garner.

2. Declarations of interest

A declaration of interest was made by Purminder Samaria for Item 7 (School Block Budget) as he worked at a primary school but had assisted Finance with the preparation of the budget.

3. Minutes of the Previous Meeting

The minutes of the meeting held on 30th November 2017 were agreed as an accurate record of proceedings.

4. Matters Arising from the Minutes

There were no matters arising that were not covered by specific agenda items.

5. Update on re-pooling of landlord CMF monies for 2017/18

The Service Manager, Contracts & Business Development, provided a response to the issues noted in the minutes to the previous meeting, and also provided an update on developments since then:

- Four workshops had been held, with the intention that all schools would be involved, including academies and SEN school. The objective of the sessions was to investigate what schools wanted

to see included within the service offerings. Unfortunately a clash of diary dates noted late on had meant that apologies had to be sent for the SEN business managers' forum, but a request to reschedule was sent.

- Schools were initially expecting clear pricing options by mid-December, but it had not been appreciated that Estates and Building Services did not hold the required data for every school, which caused some issues in relations to eight schools.
- It was confirmed that the minutes of the previous meeting were accurate with regards to the exclusivity arrangements that would apply under the new framework agreement. There was a need to guarantee work to contractors, and this agreement would prevent those contractors carrying out work for schools that chose not to enter into the new framework. Legal Services were carrying out checks on the planned agreement, which would take effect from April 2019.
- 80 schools had already expressed an interest in BESS, with 21 confirmed for the gold service level option. The new agreement was also being traded with other local authorities and multi academy trusts elsewhere.
- Neighbourhood Relationship Officers (NROs) had visited schools and a Question and Answer sheet was being prepared that would be disseminated to all schools shortly. This would include information on proposed service levels as well as clarifying the landlord/tenant responsibilities.
- Estates and Building Services were undergoing a review currently, and three NROs had already transferred to Education and Children's Services. Although the structure was undergoing some change, the intention was to provide a more streamlined, customer focused and friendly service in future.

Members expressed their concern around the exclusivity arrangements. It was noted that it cost £13,000 to sign up to the agreement, and then a 12% mark-up was applied to costs incurred when the local authority place the order on behalf of schools. If schools decided they could not afford that mark-up, the exclusivity arrangement meant they could not approach the same contractor directly to organise the work.

The Service Manager, Contracts & Business Development, advised that the £13,000 charge paid for the helpline that was made available, and that any reactive work was additional to the agreement, so extra charges would apply.

The Special Academies representative noted that the proposed scheme arose as a result of CMF changes, but academies were not part of that scheme anyway. However, no information had been provided to academies regarding the impact of the new framework and no service level agreements were in place for any contracts with the local authority.

The Service Manager, Contracts & Business Development, advised that that information should already have been disseminated through meetings held with business managers, but she would investigate the issue and respond as soon as possible.

Action: Rachel Webster

Members noted that schools had been told of the potential implications of any non-compliance with their responsibilities, and noted that Estates and Building Services were asking for evidence of compliance even though this was already provided to the authority through Health and Safety channels.

The Service Manager, Contracts & Business Development, advised that the local authority had a duty of care as corporate landlord to ensure that buildings were compliant, and reiterated that information on the responsibilities of each party would be clarified under the information that was to be published imminently.

6. Update from Funding Formula Review group

The Chair of FFRG confirmed that the group had met to discuss potential solutions to bridge the gap of £1.9m in the funding for pupil number growth. The minutes of that meeting had been circulated for information.

A proposal had been developed to split the funding equally, using DSG reserves and by scaling back gains for schools following implementation of the National Funding Formula. This proposal had been voted on by Forum members and approved by a large majority.

7. School Block Budget 2018/19

The report of the Head of Finance was received. Schools Forum had previously supported the proposal to implement the NFF from 2018/19, and that had subsequently been approved by the Executive.

The most recent census data had been received and used to calculate the DSG Schools Block for 2018-19. The outcome was shown within the report in Item 3.14, Table 2. The overall level of funding had been slightly higher than anticipated, due to the method of calculation used by the DfE, and totalled £240.635m.

As agreed, an additional £1.9m had been added to the Growth Fund on top of last year's sum. However, the DfE had recently advised that the Schools Block would also need to be used to fund the planned growth at Avanti Fields and Falcons Free Schools. This would not be the case once the NFF transition period had passed, and the DfE were creating a working group to look at a mechanism to fund such growth in future. However, in the meantime, £748,078 had been set aside to cover the in-year requirements. The total Growth Fund for 2018/19 therefore amounted to £4.524m.

Once the Growth Funding had been taken into account, the effective gains cap amounted to 2.78%, which was better than previously expected.

The final values for the de-delegated services previously approved by Forum members were shown in Item 3.16, Table 4, and were noted.

The Head of Finance confirmed that the former historic commitments had now stopped, and a new Central School Services Block (CSSB) had been introduced. This could be used to fund legacy items from the former Education Services Grant, such as the Education Welfare Service. It was for Schools Forum to decide whether or not to approve this expenditure.

It was noted that the costs of the Welfare Service alone exceed the planned spending on education functions from CSSB, even though notionally that fund should cover additional items such as SACRE, management of the LA's capital programme and other activity.

Members approved recommendations i) to iv) inclusive and also vi) and vii), noting the various outcomes. They also voted unanimously to approve the growth fund of £4.524m as set out in v) and to approve the expenditure to be funded from the CSSB in item viii).

8. General Fund Budget 2018/19

The report of the Director of Finance and the letter from the City Mayor were received. The Director of Learning and Inclusion asked for comments on the proposals.

Members noted that they were unable to see the direct impact of budget cuts, as the report confirmed a programme of reviews would identify how the savings were to be made. It was also suggested that providing feedback would achieve little, as decisions already appeared to have been made, and recently there had been very little success in overturning any similar proposals.

However, members did state that austerity and council cuts were damaging services, and the absence of Children's Centres was already affecting readiness for school. It was also stated that there was a need to galvanise activity around SEND provision and move the planned review forward with more momentum.

9. Year end closedown

The Head of Finance advised that the government had imposed tighter deadlines for closing local authority accounts, which meant that the closedown procedure for schools needed to change. Guidance had been circulated to business managers and two technical sessions had also been arranged to provide advice and support.

Mixed views were expressed by Forum members. Some felt the impact should be relatively minor, and that estimates could simply be based on period 11 positions. Others expressed concern about the ability to pay suppliers and the potential impact upon school balances. Disquiet was also expressed at a perceived blasé attitude from Finance representatives when dealing with concerns raised by schools.

The Head of Finance acknowledged the lateness of the notification and recognised the issues that had been raised. It was hoped that the meetings that had been arranged would be able to address the situation fully.

10. Changes to City Catering charging arrangements

The Head of Finance advised that in April the charging arrangements for City Catering would change. Schools would be charged for the cost of free school meals actually served, based on the market rate for a meal. This was to be set at £2.30, which was significantly higher than the current subsidised price of a paid meal in primary schools (now £1.75).

The intention was to increase the price of a paid meal over a period of time to converge with the market rate. However, clearly it would be too difficult to introduce the entire increase immediately, as the number of paid for meals purchased would inevitably fall sharply. A series of incremental increases was therefore planned.

Meetings were being set up for City Catering representatives to visit each school, to explain the impact on funding and the rationale behind the proposals. Meetings with Business managers would also be held.

The proposal would help deliver the transparency that schools had been requesting. Schools were not being asked to subsidise the cost of a paid for meal, but would be charged the market rate for free school meals in future.

Members welcomed the transparency, but raised ongoing concerns about the re-charging system schools had to adopt to deal with energy costs between dining centres and production kitchens. A request was made for the LA to administer the re-charging process to avoid any animosity between schools.

The Head of Finance indicated he was prepared to consider that, but all schools would have to agree to a standard energy charge for that process to work. Members noted that schools had examples of anomalies that suggested the calculated price could not possibly be correct. The Head of Finance asked that any such examples be forwarded to him for consideration.

A query was raised regarding responsibility for the costs of transporting meals. The Head of Finance confirmed that under the existing arrangements, all schools paid under the pooling system, but from April, the dining centres would pay for the costs of transporting their own meals.

11. Collaborative funding when de-delegation ends

The Chair noted that de-delegation may be coming to an end and that, in order to continue the existing collaborative endeavours, a mechanism would be needed to fund such activity in future.

A model already existed in the arrangements for trade union facility time, where local academies were able to buy in and the local authority acted as the fund holder. A similar arrangement may be beneficial for other activity.

12. Any other business

i) Budget predictions

It was noted that Business Managers had found earlier broad school budget predictions to be helpful, and asked if updated information could be provided. The Head of Finance, Education and Children's Services, noted the request.

There being no further business, the Chair declared the meeting closed at 3.10 p.m.