

SCHOOLS FORUM

TUESDAY, 9 OCTOBER 2012

PRESENT: -

School Members: Chris Davis, Primary Headteacher
Janet Urban, Primary Headteacher
Alison Lowe, Primary Headteacher
David Easter, Primary Governor
Rachael Matthey, Secondary Headteacher
Jackie Smith, Special Headteacher
Derek Fry, Special Governor
Richard Marshall, PRU
Steve Colledge, Academy Headteacher (**Chair**)
Wendy Conaghan, Academy Headteacher
Paul Boyles, Academy Governor (**Vice-Chair**)
Andy Hazelton, Academy Governor

Non-School Members: Peter Smith, Trade Unions
Debbie Waldron, Early Years Representative
Ram Thiagarajah, BME

Officers: Paddy Bradley (Head of Commissioning – Economy / Attainment)
Steve Haley (Head of Finance –Education and Innovation)
Sarah Higgins (Finance Manager- Education and Innovation)

Councillor David Renard was also in attendance.

Apologies for absence were received from Rhian Cockwell (Primary Headteacher), Robert Jackson (Primary Governor), Julie Tridgell (Secondary Headteacher), Peter Crockett (Special Headteacher), Lynne Fletcher (Academy Headteacher) and Maureen Harries (Diocese).

11. Appointment of Chair

Resolved – That Steve Colledge (Academy Headteacher) be appointed as Chair of the Schools Forum.

(Steve Colledge in the Chair)

12. Appointment of Vice-Chair

Resolved – That Paul Boyles (Academy Governor) be appointed as Vice-Chair of the Schools Forum.

13.

Minutes

Resolved – That the minutes of the meeting held on 25 September 2012 be confirmed and signed as a correct record.

14. Retained Dedicated Schools Grant Budget Position 2012-13

Steve Haley (Head of Finance-Education and Innovation) presented a report on the latest position of the 2012/13 retained Dedicated Schools Grant (DSG) budget.

Mr Haley apologised for the late issue of the papers before commenting on the report. He advised that based on information to the end of August 2012, there was a projected underspend of approximately £1.0m against the retained DSG budget for the current year and annex A to the report provided details on the budget areas which were causing the underspend. The main areas were Academy LACSEG (Local Authority Central Services Equivalent Grant) recoupment and Early Years Nursery provision as projected spend on both budgets was substantially lower than was anticipated when the retained budget was set. In addition, there was a balance of £0.33m brought forward from 2010/11 and 2011/12 making a potential sum of £1.33m available for distribution in 2013/14. To mitigate against any uncertainties, the Local Authority (LA) was proposing to redistribute half of this amount across the local formula in 2013/14 with the remainder being allocated in 2014/15 to provide a cushion for schools and academies across the two years.

Members noted that the LA was still pressing for the return of £222,000 from the Education Funding Agency (EFA) which had been recouped from the LA at the start of the year. This sum related to transitional funding allocated to academies which the LA had expected the EFA to then passport on to the five academies during 2013/14 in accordance with current funding arrangements. As a consequence of the Department for Education school funding reform programme the EFA had confirmed that they would not be passing on the transitional funding as Minimum Funding Guarantee (MFG) protection would apply instead. The EFA would not however refund the £222,000 back to the LA and this matter had now been taken up by the Board Director, Finance, Revenues, Benefits and Property. The Forum added its support to the return of this money from the EFA.

Resolved – That the Schools Forum:

- 1) Notes that based on information available at the end of August 2012, an in year underspend of approximately £1.0m is projected against the 2012/13 retained Dedicated Schools Grant budget.
- 2) Notes that a total of £0.3m remains available from 2010/11 and 2011/12.
- 3) Notes that the Local Authority is provisionally forecasting that £1.3m of funding will be carried forward at the end of the current financial year and agrees to the distribution of £0.650m as part of the 2013/14 budget setting process with approximately £0.650m to be redistributed in 2014/15.

15.

School Funding Reform 2013/14

The Forum considered a report by Steve Haley (Head of Finance - Education and Innovation) regarding the Local Authority's proposals for a range of 2013/14

pre-16 formula and funding issues following the September 2012 consultations. The report included information on the indicative impact of the formula changes on individual settings and proposals on how the LA proposed to manage the costs of meeting the Minimum Funding Guarantee.

Derek Fry (Special Governor) commented on the late issue of the report which had not been circulated until the previous afternoon. It was a lengthy and complex report and he felt that the late distribution did not give members time to properly absorb the information. Mr Haley apologised and explained that this was due to the need to consult and agree proposals via the Schools Forum within a challenging DfE imposed timetable. He also confirmed that reports for the January 2013 meeting should be issued at the proper time.

Mr Haley talked members through the report, commenting on the key issues, highlighting the decisions required by the Forum and answering questions on each section. He explained that extensive consultation had taken place on the funding areas open to local determination and the proposals in the report were based on the feedback from those consultations. He thanked all those who had been involved with the process.

Centrally Retained Funding Proposals

Mr Haley presented draft budget proposals in line with the new categories of retained spending established by DfE starting with "Central Items" as listed in Table 2 which totalled £502,000 and were agreed. Mr Haley then referred to "Central Schools Items" which were shown in Table 3 and included pupil growth. For 2013/14 this was focused on the primary sector as that was where growth was currently taking place. Swindon Association of Secondary Heads (SASH) had confirmed that it was happy with the proposals in principle but considered that this area may need to be revisited once the cohort reached secondary age as the amount allocated for set-up costs might not be sufficient. The Forum noted that the sum of £27,000 initially set aside for infant class size funding had not been considered necessary by Swindon Association of Primary Heads (SAPH) and had been deleted resulting in a total of £574,000 for 2013/14 central schools items, which was agreed.

Funding allocated to services which were subject to de-delegation was detailed in Table 4. These amounts had first to be allocated to all settings and whereas academies would keep the funding to buy into LA services if they wished, maintained schools could collectively agree for it to be de-delegated back to the Local Authority (LA) to avoid the need for Traded Service arrangements.

Both SAPH and SASH had disagreed with the sum of £22,100 allocated to Trade Union release funding so this budget proposal had been deleted by the LA. Peter Smith (Trade Unions) expressed surprise at this decision as he felt an alternative process could prove more costly to schools. He asked that a decision on this matter was deferred until the January meeting to enable him to arrange presentations to SAPH and SASH on the subject and so allow for a more informed decision, which was agreed.

The budget proposal for Schools in Challenging Circumstances (SICC) (financial) had been reduced following discussions with SAPH. This was based on the

understanding that the amount available to maintained schools would be approximately £86,000 and would be available to the LA to support the two smallest primary schools that were particularly detrimentally affected by the requirement to allocate a single value lump sum to all settings in 2013/14. A retained budget of £210,800 (excluding Trade Union funding) was provisionally agreed for delegation items.

The Forum noted that SAPH and SASH had requested that schools should directly receive a share of funding to cover Black and Minority Ethnic Support (EMASS), which they might then choose to use to buy support from the Drove School. Accordingly the LA proposal was to stop central funding of this project and to delegate the current funding of £124,000 as an £80 per pupil enhancement for those pupils with English as an Additional Language (EAL) in 2013/14.

Mr Haley commented on Table 5 of the report which set out proposals for the High Needs Block retained funding that affected Swindon schools. There was no specific requirement to include these items within the consultation process but details were provided for information as has been standard practise in recent years. Both SAPH and SASH had supported the retention of a higher Special Educational Needs Resource Allocation Panel (SENRAP) budget so that high needs pupils (those costing above £10,000 per year) could be supported at higher levels than the current £8 per hour basis. Although the Travellers Children Support funding had been agreed in principle, the amount of £77,000 currently allocated for 2013/14 would be reduced to zero following the resignations of LA staff and the overall high needs retained budget was reduced £3,004,000. Mr Haley also reported that the provisional Out of Borough budget used to fund high needs pupils was estimated at £3,242,000.

A summary of the overall draft retained budget, including a provisional £200,000 reduction in corporate overhead charges, was provided at annex C. Mr Haley explained that this would, due to reduced retained spending, release approximately £1.634m in 2013/14 which the Forum noted could be added to delegated budgets. Various cost pressures were however explained later in the report relating to high needs settings which would require a substantial proportion of this funding.

Early Years Funding Proposals

There were very few issues in this area that required amendment as a consequence of the Department for Education (DfE) funding reforms. One change was the requirement that deprivation funding must be allocated to each settings based on pupil level information and the LA was therefore proposing to use the Income Deprivation Affecting Children Index (IDACI) scores to allocate funding across the early years settings in 2013/14.

Table 6 set out the proposed 2013/14 early years funding factors, which were agreed by the Forum, subject to the LA receiving support from providers via the consultation. Table 7 set out the provisional 2013/14 early years budget.

The Forum was advised that funding for disadvantaged two-year old nursery education of approximately £1.6m would be moved into the DSG from next year and further details would be reported to the 15th January 2013 Schools Forum.

Mainstream Funding Proposals

Section 5 of the report set out the proposed 2013/14 mainstream funding factors and Mr Haley was pleased to report that both SAPH and SASH had agreed with the guiding principles established by the LA which were aimed at maintaining stability where possible. It was noted that the provisional details would need to be approved by the Education Funding Agency (EFA) to ensure that the formula structure was in line with the new School Finance Regulations. Schools Forum agreed the provisional factor values in Table 8. Final factor values reflecting the impact of October 2012 census data on Swindon's DSG would require confirmation at the next Forum meeting for submission to the EFA by 18 January 2013.

A summary of the overall impact on Swindon settings was provided at Table 9 of the report. Although the LA had taken steps to minimise funding changes, Mr Haley explained that it was inevitable that any redistribution would result in some schools gaining and some losing. This was anticipated by the DfE and the Minimum Funding Guarantee (MFG) protection system provided a degree of support for those schools which would lose out as a result of the formula changes. Based on October 2011 pupil numbers, overall gains and losses totalled £1,144,421 and an estimated £585,726 of MFG protection would be payable in 2013/14 to limit losses at 1.5% per pupil. Although it was explained that this figure would be amended in line with the October 2012 pupil numbers it was necessary to determine the methodology by which this amount would be funded. There were two options available:

- A) To reduce the overall cash increase in all gaining schools by a fixed %age, provisionally estimated at 51%.
- B) To limit the % increase per pupil in all gaining schools, provisionally estimated at 1.3%

Mr Haley advised that Option B was, in his opinion, inherently fairer and was the one preferred by both SAPH and SASH. Unfortunately an error had been made in the original calculations used for the consultations (which had since been corrected) and full details of the impact on individual schools were included in annex D to the report. The error affected 4 gaining schools and related to an adjustment relating to Special Resource Provision (SRP) pupils which was needed to ensure there was no double funding. Letters had been sent to the 4 schools and the error meant that at the SAPH presentation the LA had significantly underestimated the extent to which gains in these 4 settings would need to be capped. Mr Haley advised the Forum that the joint Head teachers of Eldene School were very unhappy and had written to the LA seeking an explanation as to why the impact of their corrected capping was disproportionate to other schools. Mr Haley explained that this was due to their gain per pupil (7.2%) being higher than other settings and the capping of gains per pupil at 1.3% would therefore have a bigger impact on Eldene than most other settings. This explanation was accepted by the Forum and Option B was agreed

High Needs Funding Proposals

Mr Haley explained that the LA was required to introduce 'place plus' funding for Special Schools, Special Resource Provisions (SRP) and Alternative Provisions. Funding for special schools and SRP's would be £10,000 for every planned place

and was guaranteed whilst locally determined top-up fees would also be payable based on actual pupil numbers. Members noted and agreed the provisional special school place numbers on which calculations were based as shown in Table 10 and the proposed top up banding rates which were included in Table 11. Mr Haley clarified that funding for speech and language therapy provision had been moved from the retained budget and included within relevant top-up amounts. The total projected funding for each of the special schools was noted, as shown in Table 12, and, although it was appreciated that these amounts were only indicative, it was noted that approximately £340,000 extra funding would be required in 2013/14.

Special Resource Provision (SRP) funding was proposed on the same basis as Special Schools with a DfE determined base figure of £10,000 for every planned place plus a locally determined top-up amount based on actual pupil numbers. Following a meeting with representatives from the schools with SRPs, there was concern that some of the additional places required by the LA in 2013/14 could not be accommodated within the existing facilities. Both Lydiard Park and Kingsdown had advised that they would be unable to expand numbers sufficiently to meet the demand for a possible six to eight additional Autistic Spectrum Complex (ASC) places. The LA was therefore exploring alternative options. Schools Forum agreed the provisional place numbers in Table 13, the top up rates in annex E and the indicative funding allocations in annex F. Members were asked to note that approximately £400,000 of additional funding would be required to provide the extra SRP places in 2013/14.

Mr Haley also explained that the LA was proposing to continue funding a range of borough-wide Special Educational Needs (SEN) outreach and support services, including a 5% increase above current year funding to recognise that this only covers direct costs. Schools Forum supported the proposed funding levels shown in Table 14, noting the additional cost of £46,700.

Paddy Bradley (Head of Commissioning, Economy/Attainment) commented on the significant increase in the number of children diagnosed with ASC over the last two years. This increase was putting pressure on the Advisory Outreach Service, based at Ruskin Junior School, which was already overstretched. Again, the LA was investigating options for a long-term solution, one of which could be to extend the service at Ruskin at an estimated cost of £75,000. This was approved in principle by the Forum subject to full details of the proposal being submitted to the January 2013 meeting.

Funding for the Alternative Provision (AP) Pupil Referral Units would need to be based on 'place plus' at £8,000 per place plus locally agreed top-up fees, details of which were set out in Tables 15 and 16 of the report. Schools Forum agreed provisional rates of £3,000 per primary AP pupil and £8,400 per secondary AP pupil, which due to additional places would require an increase in funding of approximately £56,600 in 2013/14. Wendy Conaghan (Academy Head teacher) remarked that when a student moved to an alternative provision setting they were removed from the school roll and funding was stopped but a fee was also payable and she asked where this money went. Mr Bradley advised that he would investigate this as he was not aware of this procedure.

Conclusions and Summary of Decisions

In conclusion, Mr Haley commented on the cost pressures for 2013/14 and the LA's concerns for future years funding. He stressed that all 2013/14 funding levels in the report were indicative amounts only, as they were based on October 2011 information and final proposals would be submitted to the Forum meeting on 15th January 2013, together with a report on post-16 funding.

Resolved – That the Schools Forum:

1) Notes the outcomes of the consultations relating to 2013/14 pre-16 funding and agrees the Local Authority's proposals with regard to

- **Centrally retained funding** (section 3)
 - Central Items - £502,000 (Table 2)
 - Central Schools Items - £574,000 (Table 3)
 - De-delegation items - £210,800 noting that deletion of the Trade Union Duties release funding would be subject to a final decision at the Forum meeting on 15 January 2013 (Table 4)
 - Drove Black & Minority Ethnic (BME Project) – central funding of £124,000 would be deleted and allocated to schools via an £80 uplift to the EAL funding rate (paragraphs 3.10 to 3.12)
 - High Needs spend affecting Swindon Schools with the exception of Travellers Children Support of £77,000. This amount to be reduced to zero resulting in a total budget of £3,004,000 (Table 5)
 - High Needs out of Borough spend - £3,242,000 (paragraph 3.17)
 - Corporate overheads - £660,000 (paragraphs 3.18 to 3.19)
 - The allocation of general savings from reductions to the 2013/14 retained budget - £1,634,000 to supplement 2013/14 delegated budgets (paragraphs 3.20 to 3.23 and Annex C)
 - The allocation of £650,000 carried forward from 2012/13 to supplement 2013/14 and 2014/15 delegated budgets (paragraph 3.22 & separate report)
- **Early Years funding rates** (Section 4 Table 6) and provisional budget.
- **Mainstream funding** (Section 5)
 - Agrees formula factors and provisional funding rates (Section 5 Table 8)
 - Notes the indicative impact of formula changes on individual settings (Annex D)
 - Agrees that MFG costs are to be funded by capping gaining school budget increases by a % per pupil, provisionally estimated at 1.31% (paragraphs 5.7 to 5.10, Option B)
- **High Need Pupils – Special Schools** (Section 6)
 - Agrees the provisional place numbers (Table 10)
 - Agrees the provisional top up fees (Table 11)
 - Notes the indicative impact of the new place plus funding on individual Special Schools which will require additional funding of approximately £340,000 (Table 12).
- **High Need – Special Resource Provision** (Section 6)
 - Agrees the provisional place numbers (Table 13)
 - Agrees the provisional top up fees (Annex E)
 - Notes the indicative impact of the new place plus funding on individual Special Resource Provision settings which will require additional funding of approximately £400,000 (Annex F).
- **High Needs – Outreach and Support Services** (Section 6)
 - Agrees the proposed 2013/14 delegated funding to relevant settings for Borough wide SEN outreach and support services at an additional cost of

- £46,700 (Table 14)
 - Considers and supports the LA developing proposals to enhance the Autistic Spectrum Complex outreach support service at an additional annual cost of £75,000 (paragraph 6.11 and 6.12)
 - **High Need – Alternative Provision** (Section 6)
 - Agrees the provisional place numbers (Table 15)
 - Agrees the provisional top up fees (paragraph 6.15)
 - Notes the indicative impact of the new place plus funding on individual Alternative Provision settings which will require additional funding of approximately £56,600 (Table 16).
- 2) Notes the LA's conclusions and concerns regarding some of the changes (section 7)

16.

Date of Next Meeting

It was noted that the next meeting of the Forum would take place on Tuesday, 15 January 2013 at 4.00 p.m. in Committee Room 6, Civic Offices, Swindon.