

Schools Forum Meeting held on the 15th January 2015 at The Avenue

PRESENT

Peter Kayes	Governor, Redlands - CHAIR
Charles Clare	Headteacher, Geoffrey Fields Junior
Viv Angus	Headteacher, Reading Girls School
John Cosgrove	Headteacher, Christ the King (RC) School
Karen Hillier	Governor, Caversham
Anne Higginbotham	Headteacher, St Michaels
Marianne Best	Headteacher, Cranbury College
Phil Davies	Headteacher, Prospect School
Joan Boyd	NUT
Isabelle Sandy	School Business Manager, Kendrick
Justine McMinn	Headteacher, EP Collier
Joanne Harper	Principal, UTC Reading
Julie Kempster	PVI Sector under 5's, Riverside Day Nursery
Sue Bourne	Headteacher, The Avenue
Nicola Maytum	Headteacher, JMA
Matt Espley	(Governor) Battle Primary
AM Robson	Headteacher- Reading
Mark Heaster	Business Manager, Cranbury College
Lisa Bedlow	Headteacher, Caversham and Newbridge nurseries

RBC

Russell Dyer	Finance
Steve Davies	Finance
Kevin McDaniel	RBC
Chris Stevens	RBC SEN

Lead Cllr	John Ennis
-----------	------------

APOLOGIES

Rachel Cave	Headteacher, Highdown
Lee Smith	Headteacher, Holy Brook
Cathy Doberska	Headteacher, New Christchurch

1. WELCOME AND APOLOGIES

- Apologies: Cathy Doberska (New Christchurch), Lee Smith (The Holybrook), Rachel Cave (Highdown)

Academy representation to agree who will be voting in respect of each grouping (one vote per group).

2. MINUTES OF THE MEETING HELD ON 11 DECEMBER 2014

- Minutes agreed by Schools Forum

Charlie Clare had been missed from the list of members who had volunteered to sit on the Working Group.

Action: Chris Stevens's to recirculate invite to this meeting.

**Working Group Session to be held on 4th February 15 at 16:00- 18:00pm
Meeting Room North 2a - Floor 2, Plaza West (new Civic Offices on Bridge
Street)**

3. MATTERS ARISING FROM THE MINUTES/ SCHOOLS FORUM MEMBERSHIP ISSUES (STANDING ITEM)

- None.

4. HIGH NEEDS BLOCK BUDGET MONITORING UPDATE 2014-15 & 2015-16

- Main items discussed are outlined in the High Needs Block 2014-15 & 2015-16 financial report dated and circulated at Schools Forum on 15th January 2015.
- As reported at the last meeting, there is a forecast overspend of £1.3m on the high needs block. Schools Forum need to identify savings elsewhere in the schools budget to reduce the 2015/16 deficit..
- The report identifies the need to finalise funding of the 2014-15 deficit at the March Meeting and also identifies the expected 2015-16 deficit which is forecast at the the same £1.3m. This is the same figure at this stage because there is no further mark up on funding to take account of growth.
- It was agreed last time that the working group would be set up to consider what further savings could be made from other budgets to reduce the 14/15 deficit and identify ongoing pressures facing schools in 15/16. It would also need to consider how the ongoing budget gap expected in 15/16 can also be part be funded.
- The 13-14 DSG surplus will be carried forward and deducted from the 14/15 £1.3m deficit which will still leave a £926k deficit. Some further possible options for funding the deficit, namely early years block savings or other identified savings to still be agreed. There is a small surplus on the Schools Block Budget that could also be used to fund it.
- The LA will have to make a decision on EY block surplus funding and potential savings in March 15.
- 15/16 Funding (High Needs Block)- Table in 5.1 shows overall funding allocation for 15-16 set as £14.6m. Less all budget allocation for retained services leaves a £1.3m deficit. This is before any element of demand growth is included. The assumption is that the current funding level will be set the same for 15/16. It would be unrealistic to think there would not be in increase.
- The proposal is to partially fund the 15/16 gap using the £477k remaining headroom on the Schools Block and transfer that to the High Needs Block. This will be an LA decision- SF are asked for their views on this proposal- SF agreed.
- The working party in their meeting scheduled on 4th February 2015 will look at any proposal and measures to meet funding gap in 14/15 & 15/16. Independent Consultant and internal audit that might help that working group make decisions.
- The current position is 'Critical' and could affect the budget for all schools going forward.
- Growth- not built in any growth in these numbers. If there are issues with funding for future years ahead SF need to make representation to EFA about the amounting pressures facing schools. A lot is based on historic information in the system and pressure needs to be applied to reconsider the formulae.
- If the Early Years Block surplus is being used to reduce the High Needs deficit could this be seen to be masking the reality of the budget pressures? Growth has been massive in the last academic year. Additional placements in higher costs schools (Highclose Independent), insufficient school places for Years 5 & 6 and growth in housing developments across Reading.

- KMcD noted that Reading's rate of Assessment of need for statement children is one of the highest in the country. This needs reviewing.
- The national policy- no more funding. This could change once we know the political position after May 15 elections. Funding is still based on 2012 budget figures. It does not take account of the demographic changes affecting schools.

5. EARLY YEARS BLOCK UPDATE 2014-15 & 2015-16

Presented by Russell Dyer

- Main items discussed are outlined in the Early Years Financial Report dated and circulated to SF on 15th January 2015;
- It is proposed to increase the central retentions for 15/16- total £100k increase is requested from the EY block, a variation on last SF in December.
- Forecasting that the early years block will have an underspend of £2.1m at the 2014/15 year end, largely flowing from trajectory and place funding for 2 year olds - reason for underspend is that DFE have funded for more 2 year olds places that have not been taken up;
- Work is being done for the March Schools Forum to identify a proposal to carry forward funding within the early years block for contingency/ongoing work with regard to 2 year olds thereby releasing a sum (to be determined) to transfer to the high needs block to help offset the 2014/15 deficit which has arisen.
- There was a meeting with EY Group on 13 January 2015 to shape the report;
- Consideration of the rates payable by providers in 15/16 - it is proposed to freeze rates at existing levels - PVI is above average.
- Credit was given to Theresa Shortland and her team in Early Years - marked increase in levels of take up for 2 year old places. Future funding is based upon level of take up therefore it is critical to invest in efforts of the EY Team to maximise the number of places to secure funding for 15/16 and beyond. Team are continuing to do a lot of work in this area. The January 2015 headcount will be used to calculate the funding awarded to Reading for 2015/16. Therefore, it will be in the interests of the Authority and providers to ensure that there is the maximum number of eligible children in place by the census day.
- As noted at the last meeting, funding for eligible children has been confirmed as £300 per eligible pupil with the borough expected to receive £167,000 in 2015/16. The premium will be offered on an hourly rate and will be based on the participation and take up of the child.
- In addition to the existing central retentions, there is a proposal to fund an additional £50k from this block as a contribution towards the central running costs of the early years' service within the local authority, particularly in relation activities for pupil premium and high needs. In addition a further £50k is required to fund rising 3's as agreed at the last meeting of Schools Forum- explained in 7.1 in the report;
- **SF approved £100k expenditure- conditional on EY group being informed how it will be spent and them being satisfied with the proposals.**

6. SCHOOL BLOCK & FORMULA 2015-16

Presented by Steve Davies

- Main items discussed are outlined in the Schools Formula 2014/15 & 2015/16 report dated and circulated to SF on 15th January 2015.

- The current position on the schools budget overall is expected to be a forecast outturn of an in year £50k Surplus. Any underspend will be added to the surplus and used to offset the pressure on the high needs block.
- School Block- An estimate of headroom at £1m although Business rates have gone up to £150k a year so unlikely to see the real value of this- per unit value gone down. Table 4.1 in the report shows final figure closer to £0.5m. It is the Authority's intention to use this headroom as a transfer from the Schools Block to the High Needs Block to part fund the 2015/16 budget gap. Whilst it is the Authority's decision, we are required to consult Schools Forum on the proposal. Therefore Schools Forum is asked for its views on this proposal- *agreed*.
- It was discussed in the SF Group that the formula is having a detrimental impact on some Secondary Schools and creating serious budget constraints. The formula is based on entitlement to FSMs, however it no longer considers schools in areas of deprivation. Schools which had received levels of funding for deprivation through historic grants are failing to recoup this funding through FSM factor. More parents seeking employment, receiving income support benefits which is making them less eligible for FSMs. This is having an impact on schools with greater levels of children with low prior attainment. Schools like Prospect and Reading Girls are seeing biggest hit. It was reported in one school they had seen their FSM uptake plummet to just 30%. One school advised that only 3 children were eligible for FSM in new intake compared to the 17 children receiving free school meals that had left in Year 6. This has had a massive impact on the schools overall budget.
- If the current trend continues schools may receive less funding- formula is not working as it should be and does not cater for low prior attainment. Schools are in a critical state of not having the funding available to provide the interventions for pupils with high needs. Question was asked whether IDACI factor would be more suited to Reading? It was suggested that some modelling should be undertaken using IDACI to see whether this would be more effective in addressing needs for future years.
- Serious issue- 3 secondary schools with greatest needs receiving less money- has the formula become too simplistic? For example, Prospect has a lot of children with high needs and are at crisis point, the school cannot afford to buy the external services or put in place the interventions that Reading is expecting the school to provide.
- SF recognised the current budget pressures and the rising challenges facing schools- there is no more money - we need to reshape how we spend the high needs budget to meet minimum needs that each school requires to make it available to schools with a greater level of high need pupils.
- It was recognise that some schools have increased registration for FSMs, as they have been proactive getting parents to take up FSM. Can we learn from schools with good uptake of FSMs? We need to be thinking ahead, transition from nurseries, thinking how we target new parents with children starting school.
- Furthermore, SF will need to present to the DfE the issues that Reading is experiencing.
- The EFA will require a final submission on Reading's agreed formula by 20 January 2014. It is anticipated that following the final submission to the EFA, finalised budgets for 2015-16 will be circulated to schools by February half term. Academies and Free Schools operate on an academic year basis and are on a separate timetable as notified by the EFA.

7. DE-DELEGATIONS AND CENTRAL RETENTIONS 2015-16

Presented by Russell Dyer

- Main items explained in Central Expenditure and De-Delegation Report dated and circulated at SF on 15 January 2015.

Central Retentions- All SF Members (including Academy Members)

- Retention for Equal Pay Claims will remain the same at £550k. This is required for 15/16 to ensure that the liability can be fully met. Currently £950k set aside in the budget for EPC. Total liability is estimated at £1.5m.
- School kitchens £197K- KMcD advised that £591k was spent on investment in kitchens in 2014 of which £200k was borrowed. The cost of revenue is costing Education £23k. KMcD sought agreement from SF to maintain retention set at £197k in order to pay off the existing sum of borrowing.
- **Voting: 1)** Decision for all SF: To approve the continued central retentions- all expenditure is in line with prior year approved levels, capped at existing levels- **this was unanimously agreed by all members. Total in favour of proposal = 15, against = 0.**
-

De delegations- (Excludes Academy members from voting)

- Union Facilities- £51k- one school asked if this level of funding for Union was 'usual' and asked for some detail for what this is used for. This budget is set aside for stewards providing support to its members at various personnel meetings. It also assists to cover costs associated with the union involvement in Health & Safety statutory duties, for example, ensuring schools are compliant with H&S regulations. It enables unions to carry out union duties and allows the employing school to claim this time back. Without this reserved funding, this funding would need to be found elsewhere in the Education budget.
- **New:** School Improvement- £250 de-delegation para 5.1 in report. Reading has one of the highest proportions of inadequate schools in the country. In 2013/14 academic year this amount was spent on improving standards in maintained schools requiring support. As a result of this investment all 5 schools have raised their attainment levels. It allows schools the funding to invest in short term specialist/ non specialist staff to help schools reach attainment.
- **New:** Schools in Financial Difficulty- £50k de-delegation to assist schools with significant challenges- extreme financial difficulty/ authority has issues a formal warning notice, remove delegated powers or replaced a governing body. Often to make significant changes the school must restructure and make staff changes which cost more money. This funding will help contribute towards one off costs to assist with restructuring costs- modest fund to assist a school in this situation.
Voting: 2) SF (excl. Academies) to approve existing de-delegations and two new proposed de-delegations (School Improvement- £250k & Schools In Financial Difficulty- £50k). **All de-delegations were approved- See Voting table below for results of individual voting.**

De-Delegations	Primary - Favour	Primary- Against	Secondary- Favour	Secondary- Against	Agreed Y/N
<i>Existing:</i> Behaviour Services- £135k	5	0	1	0	Yes
<i>Existing:</i> Support for EAL & Underachieving Groups - £85k	5	0	1	0	Yes
<i>New:</i> School Improvement- £250k	5	0	1	0	Yes
<i>New:</i> Schools in Financial Difficulty- £50k	6	0	1	0	Yes
<i>Existing:</i>	5	0	1	0	Yes

Union Facilities Agreement- £51k					
-------------------------------------	--	--	--	--	--

9. PROPOSED DATES/TIMES OF FUTURE MEETINGS

- Next Schools Forum is on the 19th March at 5.00pm at The Avenue

10. ANY OTHER BUSINESS

Appendix 1 Growth Fund- Discussion around funding for Academies. Academies are funded more due to the longer period (12 months) until their funding year commences in September.

No other AOB.