



Minutes of Schools' Forum Meeting

January 17, 2019

Present

Jo Budge – Head Teacher of Blagdon Nursery, Cathy Doberska – Head of English Martyrs, John Cosgrove – Head of Christ the King, Tonia Crossman – Head of Emmer Green, Peter Kayes – Governor at Ridgeway (Chair), Stieve Butler – Head Teacher of Meadow Park, Ann McDonnell – Business Manager at Blessed Hugh Faringdon, Isabelle Sandy – Business Manager at Kendrick, Ashley Robson – Head Teacher of Reading School, Annal Nayyar – Finance Director of Bayliss Trust (Reading Girls), Ali McNamara – NEU, Mandy Wilton – Head Teacher at Cranbury College, Cllr Ashley Pearce – Lead Member for Education, ,

Apologies

Ita McGullion – Manager of Kennet Day Nursery, Justin McMinn – Head Teacher of E P Collier, Richard Rolfe – Governor at Micklands, Karen Edwards – Head Teacher of The Heights, Simon Utley – Head Teacher of Blessed Hugh Faringdon, Rachel Cave – Head Teacher of Highdown, Andrew Johnson – Head Teacher of Maiden Erlegh (Reading), Tracey Green – Avenue Finance Director, Stephen Kitchman – Director of Children's Services

In attendance

Claire White – Interim Education & Schools Business Partner, Mark Fowler – Interim Head of Education, Sonia Aulak – Service Manager SEND & CYPD, Rhiannon Schoepe – Minute Taker

#	Item	Notes
1	Welcome and apologies	The Chair welcomed everyone to the meeting. Mark Fowler was introduced to the meeting as Interim Head of Education for Brighter Futures for Children. Apologies were noted.
2	Minutes of the meeting held on 6th December 2018	Minutes were agreed from 6th December 2018. Item 2 - SEND strategy – additional funding for schools with

		<p>high numbers of pupils with EHCPs. An email was circulated on 22nd December 2018 confirming the methodology and that the additional funding payments are to be made this month.</p> <p>Item 3 – Action on Nursery vacancy. Jo Budge has not had anyone register their interest in the position to date. She will share the open position with other Nurseries.</p> <p>Item 4 – Early Years funding. £366k c/f from 2017/18 available – It was raised that maintained nurseries are in danger of closing in March 2020 if there is no government funding available to maintain the nursery school lump sum. £330k per year current funding. An announcement regarding this has been delayed; it is expected to come in Summer/ Autumn 2019.</p> <p>Item 4 – Top up funding. Sonia Aulak has made a request to neighbouring authorities for information regarding average top up funding costs in order to have a comparison with Reading. Sonia is currently awaiting replies.</p> <p>Item 6 – Growth Fund. An agreement on points 2.2 and 2.4 was deferred after further discussion from Schools Forum members. An email regarding this was sent on 13th December 2018 from Claire White to schools and a decision on funding will be taken in Item 7.</p>
3	Schools Forum Membership Update	<p>There are still currently four vacancies outstanding as well as two members' whose term of office has expired (Tonia Crossman & Joanne Harper).</p> <p>Secondary Academies are still required to decide which five representatives are official School Forum members. Other Secondary Academy representatives are able to either act as a substitute or attend the Forum as an observer (additional attendees cannot vote). This can be any senior leader from the school and does not necessarily have to be the Head. It was mentioned that regular attendees should be named as priority.</p> <p>There are still vacancies for nursery, maintained primary, academy primary & maintained special schools.</p> <p>Out of the available 23 positions within Schools Forum, 19 are currently filled.</p>
4	DSG Budget Monitoring 2018 - 2019	<p>Claire White presented.</p> <p>Table 1 shows the revised DSG allocation for 2018/19 as of the end of December 2018.</p> <p>A reduction in Schools Block funding is due to the in-year</p>



	<p>academy conversions of Christ Church and St Marys and All Saints. Funding is now paid direct to the schools by the ESFA.</p> <p>Additional government High Needs funding has been included in the DSG figures. The 2018/19 additional allocation is £384k with the same amount allocated for 2019/20.</p> <p>High Needs Block funding has been reduced due to import/export adjustment and the increase in funded academy places which is deducted from the allocation. The £77k net additional funding will go towards offsetting the deficit.</p> <p>Early Years funding has been reduced in line with the January 2019 census. This should only impact if take up of places is greater than the January average.</p> <p>Table 2 summarises the 2018/19 expenditure. This shows a more positive position compared to November 2018. The overall deficit for 2018/19 now sits at £1.885m (compared to £2.402m last month). It is assumed the additional allocation in the Early Years Block will go towards offsetting the deficit, with the underspend in Schools Block going towards the growth funding shortfall in 2019/20. The current High Needs deficit being carried forwards to 2019/20 is therefore currently £2.081m.</p> <p>Schools Block should only be subject to variance if Business Rates bills vary from the budget. Due to some revaluations taking place, there is likely to be a small under spend.</p> <p>Central Schools Block should have no variance as the majority of budgets are classed as contributions. Copyright licences are agreed in advance and are subject to a national contract.</p> <p>Early Years block funding is dependent on the January 2019 census which takes place today. Schools Forum will know the outcome on the budget by next meeting; it is currently assumed there will be no variance. The maintained nursery grant within the DSG has been reduced by £53k due to a reduction in pupil numbers; however this will not be clawed back from the nursery schools. It is currently assumed that a reduction in take up and overall expenditure will offset this.</p> <p>High Needs block is currently forecasting an overspend of £2.4m (down from £3.3m reported last month) due to the additional DSG allocation alongside the delayed removal of August leavers from the EMS database which were still included in the previous month's figures. External placement charges have also been renegotiated to reduce inflationary increases. Top up funding is overspending by £1.8m as the number of pupils receiving funding has risen by 103 so far this</p>
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		<p>financial year.</p> <p>Overall, at least £0.9m of brought forwards deficit should be repaid in 2018/19 with £1.885m DSG overspend to be carried forwards to 2019/20. There should not be any further significant increases to the High Needs Block this financial year.</p> <p>Table 3 shows the DSG deficit year on year since 2014/15, with an overall positive trend. The deficit peaked in 2016/17 at £3.4m, however it has significantly reduced over the last two years due to increases in funding and transfers from under spending blocks to the High Needs block.</p> <p>Table 4 shows the recovery plan for the DSG. Across the next three years it is assumed that the Schools, Early Years and Central Schools Services Blocks will balance; with the High Needs Block spending less than the in-year grant allocation. Based on this, it is expected that the deficit will be repaid by 2022/23 and investment can start being made in provision by 2023/24.</p> <p>The report was noted.</p>
5	DSG Settlement for 2019 – 2020	<p>Claire White presented.</p> <p>The DSG allocations for 2019/20 were published on the 17th December 2018; these are shown in Table 1 alongside the revised allocations for 2018/19. Appendix 1 shows the allocation in further detail.</p> <p>The figures for the Schools and Central Schools Services blocks are final; however a small proportion of the High Needs block is subject to change due to the import/ export adjustments and changes to place funding which will be confirmed in March 2019. An adjustment for the Thames Valley free school will be included as this is now within the local authority allocation.</p> <p>There will be a transfer of 0.5% (£447k) from Schools Block to High Needs Block after the agreement at the December 2018 meeting.</p> <p>Early Years Block budget is to be based on the January 2019 census and a detailed budget plan will be brought to Schools Forum in March 2019 for approval.</p> <p>The additional government capital funding for ‘little extras’ will be paid in the current financial year. This is provided to the Diocese for voluntary aided schools.</p> <p>Teacher pension increases for 2019/20 will receive a separate</p>



		<p>grant. The DFE are currently consulting on this increase. It has been confirmed that the teachers' pay grant will continue for academic year 2019/20.</p> <p>It was noted that going forwards, there is currently no plan for schools to have pension increases and other cost of living increases added to the formula funding. Currently there is no inflationary increase to funding provided by the government. Schools' Forum will monitor this position.</p> <p>The final decisions on the de-delegations will be taken at tonight's meeting under Item 8.</p> <p>Central Schools Services Block is expected to balance. The final decision on this will be brought back to Schools Forum for the March 2019 meeting.</p> <p>High Needs Block will be further discussed in Item 10.</p> <p>A list of other funding announcements is listed in point 7.1.</p> <p>The report was noted.</p>
6	Growth Fund 2019 - 2020	<p>Claire White presented.</p> <p>This is an update on the previous paper presented at December's Schools Forum.</p> <p>At the December 2018 Schools Forum meeting, it was agreed that the falling rolls fund would be removed and the financial difficulty de-delegated fund would be considered for reintroduction at maintained Primary level. A decision on the Growth Fund was deferred until this meeting as schools wished to give this request further consideration.</p> <p>The new formula for allocating Growth Funding to local authorities from 2019/20 is set out in point 4.3. Protection has been applied so that no local authorities' growth allocation will fall by more than 0.5% of their overall 2018/19 Schools Block funding. Reading's allocation through the new methodology for 2019/20 will be £1.119m. This is a reduction on 2018/19's allocation of £2.092m, however as the funding floor applies, the allocation is therefore £1.658m. Overall, this is a reduction of £434k.</p> <p>Point 5.6 sets out the criteria and funding agreed by Reading Schools Forum in 2017/18 and 2018/19. The revised criteria for 2019/20 are set out in point 5.7.</p> <p>Claire White wrote to all schools on 13th December 2018 after concerns were raised at the last Forum regarding the future funding commitment to expanding schools. 9 responses were received; out of these, 7 said they believed that Growth Funding would be continued at the current rates until the end of the expansion period.</p>



		<p>Although it is clear that funding should continue, Schools Forum minutes from January 2017 are unclear as to whether the actual funding rates would be continuous for expanding schools. Schools who have previously been receiving Growth Funding feel the rates should be honoured.</p> <p>The three options available to Schools Forum are set out under point 5.8:</p> <p>Option A – offers same per pupil rates as 2018/19 for proposed new class sizes.</p> <p>Option B – offers a basic entitlement funding rate for proposed new class sizes.</p> <p>Option C - £65k/ £85k (Primary/ Secondary) of funding per additional class x 7/12. A one off lump sum of £5k will also be paid for set up costs.</p> <p>Options B and C are used by most local authorities.</p> <p>A comparison of these options is shown in point 6.2. Options B and C will reduce the level of growth funding allocations and leave a small balance to allocate out to all schools through the formula. Option A will require a top slice from the Schools Block so will impact more on the overall funding available to allocate to schools.</p> <p>Appendix 1 gives further details of the new and existing growing schools alongside one off set up costs for a new Primary school opening in September 2020. The table shows classes based on numbers of 30 rather than the actual number of pupils on role. There is no contingency included in these options as it may not be needed.</p> <p>The agreement taken today would be for another year of funding. This would need to be revisited prior to 2020/21.</p> <p>The decision was deferred until after the presentation of Item 7 on the Agenda, the School Funding Formula for 2019-20. After the discussion Schools Forum decided unanimously to accept the Option A with a move to Option B to be considered for 2020/21, giving schools a year's notice of the need to plan for a lower allocation of growth funding in future years. (14 for, none against, no abstentions)as explained in minute 7 below.</p> <p>The report was noted.</p>
7	Finalisation of School Formula Proposals for 2019 – 2020	<p>Claire White presented.</p> <p>This is an update on the previous paper presented at December's Schools Forum.</p> <p>During the December 2018 Schools Forum meeting, it was agreed to transfer 0.5% of Schools Block funding to the High Needs Block to go against the deficit. Underspend in the growth and falling rolls</p>

funding in 2018/19 can be carried forward to add to the resources available in 2019/20. This is shown in Table 2; £89.3m available to allocate.

Point 7.2 sets out the changes in factor values which will now be move closer to the National Formula Factors as previously agreed. The increase in the minimum per pupil level has been honoured and both Primary and Secondary levels have been increased, a minimum funding guarantee has been applied of 0.5% and no cap has been applied to schools gaining funding as very few schools gain more than the 3% NFF funding cap.

By applying these formula values and using the October 2018 census data, alongside the estimated pupil numbers for the new schools receiving growth funding and using estimated business rates for 2019/20, this is affordable. Any additional funding left over will depend on which growth fund option is selected, as shown in Table 3.

If the growth values remain the same as 2018/19 (Option A), there will be a small amount of additional funding available. This can be allocated out by increasing the lump sum, this will increase funding for most schools (unless they are on minimum funding levels). Appendix 3 shows this scenario on school by school basis. If options B or C are chosen, additional funding can be allocated through other factors. Table 4 shows ways of allocating this additional funding.

Discussion:

Schools Forum had some discussion around the options available to them for the funding formula. Three options were presented A, B and C. Firstly, it was recognised that Option B would bring Reading much closer to national formula values and was within current means. It was raised that Option A appears to be a false economy due to a smaller balance being available. The main agreement lies with Option B; however this option does go back on previous growth fund expectations. Schools Forum decided to agree upon Option A this year with a possible move to Option B in future years as Option A is not sustainable. Option A fulfils a moral obligation based on previous promises made regarding the growth funding for schools.

These options would primarily affect Primaries rather than Secondary's. Only three school expansions continue beyond next year – two Primaries for a following two years and one Secondary for a further three years. The schools would need to be made aware that this is a decision for one year only.

Schools Forum were happy to accept the option A for the financial year 2019/20 only, with the decision returning again to Schools Forum for 2020/21 and confirmed the choice of Option A for the growth fund payments in 2019-20 only (14 for, none against, no abstentions).



		The report was noted
8.	De-delegations & Central School Services Budget 2019 – 2020	<p>Claire White presented.</p> <p>The services to be de-delegated in 2019/20 are to be agreed by phase amongst the maintained schools.</p> <p>Table 1 shows the current de-delegations and associated costs in 2018/19. These services are all current other than Equality Services which ceased in July 2018. Paragraphs 5 to 9 give further details on each of the de-delegations.</p> <p>Table 2 shows the de-delegations proposed for 2019/20 with a breakdown per school provided in Appendix 3.</p> <p>Schools in Financial Difficulty was being re-offered as a de-delegation for 2019/20. It was not agreed how the funding was to be used in previous years. Schools therefore received the funding on a 'first come, first served' basis. It was raised that this is potentially unfair to those schools who may require the support later on in the year. Schools Forum could decide on a lower amount and set its own criteria, for example just set aside a smaller amount to provide schools with professional support in making budget savings.</p> <p>A vote was held on each of the de-delegations. Maintained schools representatives took decisions on whether to delegate, with primary and secondary schools voting separately. The outcomes were as follows:</p> <p>Behaviour Support: 6 in favour, none against, no abstentions (Primary schools only)</p> <p>Schools in Financial Difficulty: none in favour, 5 against, 2 abstentions (Primary schools only)</p> <p>Union Duties: 6 in favour, none against, no abstentions (Primary schools only)</p> <p>School Improvement: 6 in favour, none against, no abstentions (Primary)</p> <p>1 in favour, none against, no abstentions (Secondary)</p> <p>General Duties: 6 in favour, none against, no abstentions (Primary)</p> <p>1 in favour, none against, no abstentions (secondary)</p> <p>Mark Fowler undertook to report back on the School Improvement Strategy to the Heads' meeting</p> <p>Table 3 showing the budgets funded from the Central School Services Block (DSG Allocation) is currently for information at this time. A decision on each of these will be made at the March meeting. Paragraph 11.3 lists details on each of these services</p> <p>Appendix 4 gives a breakdown of the National Copyright Licenses as agreed for 2019/20.</p>

		<p>The report was noted.</p>
9.	SEND Strategy Update	<p>Sonia Aulak presented.</p> <p>This is an update on the previous paper presented at December's Schools Forum.</p> <p>The Expressions of Interest made in regards to the specialist provision are currently being processed and reviewed; this is in partnership with Mark Fowler. No bids were received from either North or South Reading, with two bids from the West.</p> <p>Following the review, the next step of the process will be meetings with stakeholders and the opening up of the consultation process.</p> <p>There has been no formal update from the DFE in regards to the Special Free School bid. From the information available currently, there have been 56 expressions of interest. It is assumed that all bids are likely to go through.</p> <p>The report was noted.</p>
10.	High Needs Budget for 2019 – 2020	<p>Sonia Aulak presented.</p> <p>The allocation for the High Needs Block was announced on 17th December 2018, including additional funding for pressures. For Reading, this is £384k in both 2018/19 and 2019/20. An additional £447k is available from the decision to transfer 0.5% funding from Schools Block to High Needs Block.</p> <p>The breakdown of allocation for 2019/20 is shown in point 5.3. The total net allocation including the transfer from the schools block is £18,428,010.</p> <p>The table in point 6.1 shows the latest forecast position for 2018/19 and the financial strategy to repay the deficit across the next four years. ESFA expect that the deficit will be repaid within the next three years and will require a report from any LA with a deficit of more than 1% as of 31st March 2019 to detail how it plans to bring the DSG into balance.</p> <p>The table in point 7.1 sets out the current budget and forecast for 2018/19 alongside the proposed budget for 2019/20. The current forecast is £20.839m which is £397k greater than the target budget of £20.442m. Points 8 onwards set out further information for each budget line.</p> <p>Work will continue to refine the budget further; comments are welcome from Schools Forum. A final review will be brought back to the March meeting.</p>



		The report was noted.
11.	Agenda Items For Future Meetings	The next meeting will be held on 14 th March 2019 (5pm) at the Civic Centre – Council Chambers. Finalisation of Central School Services Budget 2019 - 2020 High Needs Budget 2019 – 2020 Early Years Budget 2019 - 2020
12.	Any Other Business	N/A

