

Minutes of the Schools Forum Meeting held on 4 July 2017

Present: Steve Barr (Chairman)

Attendance

Wendy Whelan	Sara Bailey
Lesley Wells	Chris Wright
Philip Siddell	Steve Swatton
Richard Redgate	Judy Wyman
Alison Gibson	Matthew Baxter
Philip Tapp (Vice-Chairman)	
Wendy Horden	

Observers: Mark Sutton, Richard Hinton, Wendy Keeble and Richard Osborne

Also in attendance: Sara Pitt, Alison Barnes, Andrew Marsden, Tim Moss and Julie Roberts

Apologies: Claire Shaw, Stuart Jones, Karen Dobson, Ally Harvey, Kevin Allbutt, Claire Evans, Philip White and Nicky Crookshank

PART ONE

53. Declarations of Interest

There were none at this meeting.

54. Minutes of the meeting held on 27 March 2017

RESOLVED – That the minutes of the Schools Forum meeting held on 27 March 2017 be confirmed and signed by the Chairman.

55. Matters arising and Decisions taken by the Chairman

The Chairman had agreed to changes to the dates of meetings of the Forum to fit with information anticipated from the DfE, and stressed the importance of the Working Group on Finance in September 2017. He had also agreed that the item on the Provisional Outturn on the Schools Budget for the March 2018 meeting could be taken off the Work Programme.

With regard to the spend review and redundancy issues no further meetings had taken place. Members agreed that this was a pressing concern and that there was a real need for better communication with schools, and that an item should be included on the Work Programme for the next meeting in October.

Forum were advised that the meeting of the Sub-Regional School Improvement Board had been postponed to 27th June and consequently had missed the first round of bidding for the Strategic School Improvement Grant. The deadline for the second round was the first half of the Autumn Term.

As requested at the last meeting, a letter had been sent to BT Openreach regarding compensation for the delay in transition to new broadband services. Their response had been to refer Entrust to Ofcom. However Entrust intended to go back to BT Openreach to seek a definitive answer.

Forum members expressed concern that they had not received any communication about the new finance system and were assured that this would be addressed as a matter of urgency.

The Chairman informed Forum that he had received an invitation to join The Schools Forum Association. The Deputy Chief Executive and Director for Families and Communities supported the opportunity to work with other Schools Forums and members also agreed. The Chairman would respond and accept the invitation to join.

56. LST Review Progress

[Richard Hancock, Head of Families First and Deputy Director of Children's Services and Karl Hobson, County Manager – Targeted Services in attendance for this item.]

On 31 March 2015 the Forum requested a review of the quality and impact of the work of Local Support Teams (LSTs) on outcomes for school-age children and young people. The outcome of the review informed Forum's decision-making on the future allocation to the local authority from the DSG. The annual transaction was for £1.44m, and had remained at this level since the grant was originally agreed. It was currently planned as agreed by Schools Forum that this sum of £1.44m would revert back to the DSG as from April 2018.

A report to Forum in December 2016 had noted that the Schools and Local Support Partnership Working Group had since expanded and reshaped its terms of reference to act as an advisory body to Families First for the continued improvement and performance management of LSTs. Discussions within this group had been informed by:

- School involvement in the piloting of new ways of working across the children's system in each district.
- Examples of where district LSTs and schools had started to explore different ways of working together.
- The extent to which schools reported the deployment of their own resources in creative ways to meet the welfare needs of children and families.
- Data collected from the current LST provision across Staffordshire.
- Attendance at the group by Richard Hancock, Deputy Director of Children's Services and Vonni Gordon, Strategic Lead for Early Help and Safeguarding.

The purpose of the discussions was to explore how best to take forward the partnership between families first and schools, in the context of the wider reshaping of the children's system in Staffordshire. They also included consideration of how the ending of DSG

funding currently allocated to the LSTs for the provision of Early Help could be managed across the county, so as to ensure that the needs of children, young people and families could continue to be met at an early stage and avoid escalation where possible and appropriate to higher tier services. The group agreed that in order to reach and involve the wider school population that the local authority would facilitate meetings with Heads or their representatives on a district basis to discuss and explore the implications of this. These discussions now needed to be widened to ensure that all schools had the opportunity to participate and contribute to any potential change to the provision of Early Help Services within their district. Consequently meetings had now been arranged and begun to take place in each district, and Forum members were asked to encourage their peers to attend these, in order to ensure an inclusive and informed conversation takes place. At the district meetings which had so far taken place they had included a presentation on the “children system” transformation project, the development of the “place based” approach, and constructive and engaged dialogue as to the role and contribution of schools to this local partnership approach to “earliest help”. The discussion had also included positive exploration of how the transfer of monies, currently directly funding Early Help, back into the DSG could potentially continue to be used to support this agenda, via a district based partnership approach.

A number of questions had been raised as to how, if schools across a district were to agree earliest help as a focus for this resource, this could be organised. Local primary/secondary heads forum were suggested, along with a potential option of the local authority retaining the current £1.44m DSG top slice. This would be on the agreement that it acted only to facilitate the pass-portioning of this funding (disaggregated on the agreed formula), through to each district as the “place based” partnership arrangements were rolled out. This would enable local school representatives to bring a resource to the table in the development of the place based partnership, to be deployed in support of the “earliest help” agenda in a manner agreed locally as best able to meet the identified needs.

Whilst this work was developing Families First would continue to engage with schools and implement the practice changes that had so far been identified. A fuller report, including options for consideration, would be brought to the meeting of Forum on 3 October 2017.

RESOLVED – That the progress made by Families First, in partnership with Headteacher representatives, to explore the potential for schools and LSTs to co-design local early help provision be noted.

57. Schools Budget: Final Outturn and DSG Settlement

Members were informed that the final outturn position for 2016-17 was a £1.334m under spend on planned expenditure across all services. Along with this under spend there had been an adjustment to the DSG settlement of £0.306m. The combination of these factors meant that it was not necessary to apply all the planned use of reserves.

The Individual Schools Budget showed an over spend of £0.050m (0.01%) after a planned use of DSG reserves of c £400k. This outturn related to budgets allocated to individual schools through the funding formula, nursery funding in schools and other providers, and place funding in special schools and pupil referral units. The £400k that

was planned to be spent on early year providers for an increase in rates for 2016-17 from one off resources had been replaced by the introduction of a contingency fund in 2017-18. This was financially more sustainable considering the many unknowns in this year of transformation to the National Funding Formula (NFF), the 30 hour free entitlement, and further increases in rates.

De-delegated items had underspent by £1.293m (-13.24%). This had arisen mainly as a consequence of reductions in rates across the county and less call on the contingency. In 2016-17 the rateable values had been adjusted nationally. This had led to a reduction in business rates for many of our schools and resulted in a one off saving of £768k. There had also been an under spend of £356k on insurances.

The high needs budget which was initially set by utilising £1.7m of DSG reserves had over spent by £0.794m (1.16%). This in effect gives rise to a c £2.5m over spend on budget before planned use of reserves. This had mainly arisen from an increase in numbers and, as a consequence, costs relating to additional educational needs and special schools. Whilst using reserves was manageable in the short term, this was not a long term solution and on-going reviews were underway to identify ways of managing costs while achieving optimum outcomes. In 2017-18 £1.1m had been planned as additional funding to support high needs, but as a consequence of the proposals following the introduction of the NFF there is still debate as to whether a mechanism would exist in the future to be able to support high needs in this way. This is because it may not be possible to move funding blocks in future without Schools Forum approval.

Early Years had over spent by £0.059m after using planned reserves of £200k for trajectory funding. Actions previously introduced following overspends in previous years had had an impact on the level of expenditure, however this needed to be kept under review to maintain sustainability.

Items within the central provision budgets, which covered both Central Services and Central Schools Expenditure, had underspent by £0.944m (-10.30%). Part of this underspend (£0.738m) was as a consequence of a reduction in demand in the budget for premature retirement costs. As a consequence of the trend over the last few years for this figure to be around the same level, and the proposed funding changes following the NFF consultation, the future year's budget had been reduced to c £730k for maintained schools. The remainder of the under spend had arisen from variances across other headings in this Central Provision as a result of reduced demand on class size contingency and pupil growth funds. This would be rolled forward from schools budgets in accordance with EFA guidelines in 2017-18.

Forum considered a summary of revenue balances, together with detailed information on individual school's revenue balances. To enable a like for like comparison, balances at March 2016 had been adjusted to take into account in-year academy conversions. Overall school balances had decreased by £6.343m. Where a school was giving cause for concern had had significant revenue balances, then a conversation would be held between the school and the local authority as to how balances were being used to improve outcomes for learners.

RESOLVED – That the 2016-17 Schools Budget financial outturn and the intended application of the under spend be noted.

58. Growth Fund - Allocation of Funding 2017/18

The Growth Fund was established in February 2013, with the agreement of the Forum. At this time the Forum requested they be advised of all funding allocations. At their meeting in March 2016 the Forum requested that schools receiving funding should complete a short financial self-declaration. In March 2017 the Forum agreed the 2017/18 Growth Fund budget of £95,000 to support compliance with infant class size legislation and £500,000 to support Basic Need Growth in the population.

Members now received details of growth fund allocations and financial self-declarations as follows:

- a) In accordance with the infant class size criteria, £63,823 from the £95,000 budget would be allocated to five schools on the basis of an agreed number of infant teachers;
 - Baldwin's Gate CE (C) Primary School, Newcastle, £1,557 towards the cost of a second infant class teacher
 - The Meadows Primary School, Newcastle, £18,680 towards the cost of a second infant class teacher
 - St Mary's CE (C) First School and Nursery, Wheaton Aston, £21,793 towards the cost of a third infant class teacher
 - Ashcroft Infant and Nursery School, Tamworth, £6,227 towards the cost of a fifth infant class teacher
 - Rushton CE (C) Primary School, Staffordshire Moorlands, £15,566 towards the cost of a second infant class teacher

- b) In accordance with the Growth Fund criteria, £34,080 would be allocated to one school that worked with the Local Authority (LA) to create additional classes in response to Basic Need Growth;
 - Bishop Lonsdale CE (C) Primary School, Eccleshall, £34,080 for one additional infant class teacher

- c) In accordance with the new Growth Fund criteria for middle and secondary schools, £136,320 would be allocated to four secondary schools (£34,080 each) that had worked with the LA to provide at least 5% of additional PAN places in response to Basic Need Growth;
 - Walton Priory Middle School
 - Paulet High School and Sixth Form College
 - The Weston Road Academy
 - Abbot Beyne School

These allocations would leave an under spend of £329,600. This under spend, along with the £31,177 under spend on infant class size funding, would be carried forward for use in the Schools Budget 2018/19.

RESOLVED – That the allocations of Growth Funding listed above, and the schools' financial self-declarations be noted.

59. Self-Assessment Toolkit in the EFA Revised Guidance on Schools Forums

The Chairman suggested that in terms of accountability and measuring effectiveness it would be helpful to review Forum's performance. The Self-Assessment Toolkit in the Education Funding Agency's (EFA) Revised Guidance on Schools Forum provided a questionnaire comprised of 21 questions. It was proposed that the Clerk circulate the questionnaire to Forum members, senior officers and the two County Councillor observers, requesting responses by the end of term. The responses could then be considered at the Working Group on 13 September and reported back to the meeting of Forum on 3 October 2017.

RESOLVED – That members utilise the questionnaire in the Self-Assessment Toolkit in the EFA Revised Guidance on Schools Forum in order to evaluate the performance of Staffordshire Schools Forum.

60. Update on the Financial Regulations

[Deborah Fern and David Gumsley, Entrust, in attendance for this item]

Any amendments to the Financial Regulations for Schools (FRFS) require the approval of Schools Forum. Members were informed that the limit for recording equipment on the schools inventory needed to be increased from £250 to £1,000 in order to match the value included in the Staffordshire Scheme for Financing Schools.

RESOLVED – That the increase in the limit for recording equipment on the schools inventory be approved.

61. National Apprenticeship Levy

[Jason Woodruff, Deputy Head of Human Resources in attendance for this item.]

Forum received a presentation on the National Apprenticeship Levy. Employers with a pay bill of more than £3m would be required to pay a levy which equated to 0.5% of the annual pay bill. Community and Voluntary Controlled schools where the County Council was the employer were within scope. 0.5% of the pay bill equated to c £500k for core council and c £720k for schools per annum. All public sector organisations with 250 plus staff were required to meet a quota of 2.3% of the workforce to be on an apprenticeship, which equates to 110 apprentices for core council and 273 for schools. Five PAYE references had been linked to the digital account, which had received the first levy payments, and a legal agreement had been signed with the Skills Funding Agency. There would be no restrictions initially on access to levy funds, but this would be monitored.

The County Council had agreed that the preferred managing agent for schools would be Entrust, who would provide a full apprenticeship offering which the County Council had examined via a series of meetings. They would provide training directly, develop additional apprenticeships and look to partners across their provider network which was being established from the Staffordshire Provider Association. Schools would need to

make local decisions and take advice as appropriate from their HR provider regarding vacancies in the first instance. Should schools wish to engage with other training providers it was important that they liaise with Entrust to ensure that funds were drawn down. More guidance would be issued to schools and managers over the Summer.

The delivery of the apprenticeship will be based on 80% on the job and 20% off the job training. There would be two types of apprenticeships, Entry Level and Professional Development. Entry level would typically be school/college leavers and would be paid in line with the national rates as agreed by SLT. In relation to Professional Development, members were informed that in order to maximise the Levy there was a need to ensure that there were opportunities for existing colleagues in substantive roles to gain formal qualifications linked to their job/professional area. The level of apprenticeship would be set by the duties of the job.

For maintained schools the local authority was the employer, and each local authority would have an annual allowance of £15,000. There was currently no requirement for local authorities to ring fence each school's funding. For voluntary-aided schools, foundation schools and academies the governing body was the employer, each governing body would be entitled to an allowance of £15,000. Multi-academy trusts would get a single annual allowance of £15,000.

It was queried what would happen to an apprenticeship/levy if a maintained school converted part way through it. Simon James from Entrust undertook to provide a definitive reply to this after the meeting. It was also queried why Entrust had been appointed as the Managing Agent. Members were informed that this did not require a procurement process and consequently this had been considered the most cost effective arrangement.

RESOLVED That:

- a) the content of the presentation be noted; and
- b) the presentation slides be circulated to Forum Members for information.

62. Update on the Staffordshire Scheme for Financing Schools

[Deborah Fern and David Gumsley, Entrust, in attendance for this item]

Any amendments to the Staffordshire Scheme for Financing Schools require the approval of Schools Forum. Members considered a summary of proposed revisions, as follows:

- a) Section 2.1.3 - Refers to the Local Authority as a payroll provider. This section had been amended to exclude payment of salaries.
- b) Section 2.15 - Details had been added to identify the reasons why a Notice of Concern is issued.
- c) Section 2.16 - Schools with an Academy Notice do not have to submit a Schools Financial Value Standard.
- d) Section 3.6 – Has been updated to identify the Salix Loan Scheme as an approved scheme not requiring the permission of the Secretary of State.

- e) Sections 4.10 and 4.10.2 – The current scheme allows for interest to be paid on revenue balances but does not charge interest on capital loans of less than £100,000. Interest would now be charged on the amount of any advance.
- f) Section 4.10.2 – Redundancy loans are currently automatically given. Future requests would be subject to approval and evaluated based on a school's individual circumstances.
- g) Section 11.10 – Criteria added to support the approval of redundancy loans.

Members agreed to approve the proposed revisions (a) – (e) above. However, given the current uncertainty over redundancy issues they did not feel that it was appropriate to be making any changes relating to redundancy arrangements until the situation had been clarified, and consequently asked that proposals (f) and (g) be removed.

RESOLVED – That the proposed revisions to the Staffordshire Scheme for Financing Schools be approved, subject to the removal of the two proposals relating to redundancy arrangements.

63. Schools Forum Membership Annual Review

At their meeting of 9 July 2015 the Forum had agreed to review its membership annually to ensure it remained broadly proportionate in its representation of maintained and academy schools according to pupil numbers in each category (regulation 4 (6)).

The 2017 elections had taken place, following the timetable for the election process set out in the Constitution. Governor Support Entrust colleagues had administered the election process on the Forum's behalf. Following the elections, three vacancies remained unfilled: maintained infants, maintained junior and maintained secondary. In accordance with the Constitution Forum should now be asked to put forward nominations. In considering these vacancies members were informed that the Regulations required representation from nursery schools, primary schools other than nursery school, secondary schools, special schools and pupil referral units. There was no requirement to sub divide primary schools into infant, first and junior or to include age differentiation in relation to secondary schools.

On review there was a need for two extra academy representatives, one primary and one secondary academy. The additional secondary academy had been addressed by the fact that Chase Terrace Technology College had converted to an academy and therefore Stuart Jones could now represent academy schools. There remained, however, a need for one extra primary academy representative, and one less primary maintained representative. It was therefore suggested that one of the maintained primary vacancies could be changed to a primary academy vacancy, which would then achieve the broadly proportionate representation required.

The following nominations were put forward and agreed:

- Primary Academy – Richard Lane, Headteacher, Flax Hill Junior Academy
- Maintained Primary – Richard Osborne, Headteacher, Coton Green Primary
- Maintained Secondary - Wendy Keeble, Business Manager, Blythe Bridge High

RESOLVED – That:

- a) the content of the report be noted;

- b) the above changes to the membership be agreed to ensure it remains broadly proportionate;
- c) the age differentiation in relation to secondary school representation be removed; and
- d) Richard Lane, Richard Osborne and Wendy Keeble be appointed to the vacancies on Schools Forum.

64. Fairer Funding

Nothing to report this time.

65. Update on Notices of Concern Protocol

Any amendments to the Notices of Concern Protocol require the approval of Schools Forum.

Forum considered a proposal that, to reduce risk and provide additional control, the protocol should include to issuing of a Notice of Concern (NOC) to schools which require a Licensed Deficit for values over the existing maximum amount of £200k or 10% of budget value. School budgets for large schools are of a value that the current limits do not enable them to plan a realistic achievable repayment plan. Such schools would be reviewed by the Commissioner on a case by case basis to ensure that their business case and repayment plan was reasonable and sustainable. It was suggested that a NOC would remain in place until the balance remaining fell below £200k or 10% of their budget. For values below £200k the NOC would be withdrawn once a repayment plan had been approved. A NOC was not able to guarantee repayments, but was designed to minimise the risk of a deficit occurring.

RESOLVED – That the amendment to the Notices of Concern Protocol, as outline above, be approved.

66. Notices of Concern

Since the last Forum meeting the County Council had issued the following Notices of Concern for the reason given:

Henry Prince First School	Revenue Deficit no plan to recover
Perton Middle School	Revenue Deficit no plan to recover
Blessed Robert Sutton School	Revenue Deficit no plan to recover

Since the last Forum meeting the County Council has withdrawn the following Notices of Concern for the reason given:

Horninglow	01.05.17	Sponsored by De Ferrers
Gentleshaw	01.06.17	Sponsored by Future Generation
Picknalls	01.04.17	Sponsored by Uttoxeter Pyramid
St Benedicts Bishop	01.12.16	Sponsored by St Bartholomews
Thursfield	01.11.16	Sponsored by Creative Learning Partnership

RESOLVED – That the issue/withdrawal of Notices of Concern to the schools listed above be noted.

67. Work Programme

Forum members requested the following additions/amendments to their work programme:

- a) An Update on the Families First/LST Review to be included for the October meeting; and
- b) A report on Redundancy Arrangements to be included for the October meeting.

RESOLVED – That the additions to the work programme be noted.

68. Date of next meeting

RESOLVED – That the next Schools Forum meeting be scheduled for Tuesday 3 October 2017, at 2.00 pm at The Kingston Centre, Stafford.

Please note: A Working Group on Finance is to be held on Wednesday 13 September 2017, at 10.00 am at The Kingston Centre, Stafford.

Chairman