

LEEDS SCHOOLS FORUM

Minutes of the meeting held on Thursday 04 October 2018, 2018 at Merrion House (4:30-6pm)

<u>Membership (Apologies in Italics)</u>	
<u>GOVERNORS</u>	<u>HEADTEACHERS</u>
Primary (6 seats)	Primary (7 seats)
Sue Knights Gillian Simpson Sara Nix Deryn Porter Richard Halls vacancy	Little London Shakespeare Rawdon Littlemoor Cobden Primary Windmill Low Rd Federation
	Peter Harris Sarah Griggs Julie Harkness <i>Helen Stout</i> John Hutchinson <i>Claire Harrison</i> <i>Helen Stott</i>
	Farsley Farfield Valley View Carr Manor <i>Meadowfield</i> St Theresa's <i>Wetherby Deighton Gates</i> <i>Allerton C of E</i>
Secondary (2 seats)	Secondary (3 seats)
<i>Doug Martin</i> vacancy	<i>Pudsey Grange</i> <i>field</i>
	<i>Delia Martin</i> <i>Lucie Lakin</i> vacancy
	<i>Benton Park</i> <i>Wetherby High</i>
Special (1 seat)	Special (1 seat)
<i>Amanda Jahdi</i>	<i>East SILC</i>
	Diane Reynard East SILC
Non School	ACADEMIES – Mainstream (8 seats)
<i>Peter Best</i> <i>Susan Knowles</i> Terry Bambrook Richard Noakes Steve Kelly <i>Angela Cox OBE</i>	<i>PVI Providers</i> <i>PVI Providers</i> Schools JCC Diocese of Leeds Leeds City College <i>Catholic Diocese</i>
	<i>David Gurney</i> <i>Ken Morton</i> Adam Ryder John Thorne Emma Lester <i>Ian Goddard</i> Siobhan Roberts vacancy
	<i>Cockburn School</i> <i>Brigshaw LP MAT & Ashtree</i> Bruntcliffe Academy Co-op Academy Priesthorpe Woodkirk Academy <i>Ebor Gardens/Victoria Primary</i> Cockburn John Charles
	Academy – Special
	<i>Scott Jacques</i> <i>Springwell Leeds Academy</i>
	Academy – Alternative Provision
	Ben Mallinson Stephen Longfellow Academy
Local Authority Reps:	
Steve Walker, Director Children & Families	Louise Hornsey, Principal Financial Manager
Sue Rumbold, Chief Officer Partnerships	Simon Criddle, Head of Finance
Tim Pouncey, Chief Officer Strategy & Resources	Richard Ellis, Head of Financial Management
Shirley Maidens, Senior Financial Manager	
Minutes:	
Iram Mir, Clerk	

Item		Action
1.0	Apologies, Introductions & Future Membership	
1.1	Peter Harris (Chair) extended a warm welcome to members and observers, and formally introduced new representatives to Schools Forum. Ben Mallinson, Principal, The Stephen Longfellow Academy, Adam Ryder, Principal, Crawshaw and Lucie Lakin, Headteacher, Wetherby High School who sent her apologies for today's meeting.	
1.2	Apologies were noted.	
1.3	Following the recent resignation of Mike Gidley there is now one Academy representative vacancy. There is also one Secondary maintained representative vacancy	
2.0	Election of Chair and Vice Chair	
2.1	PH informed members that as discussed at the last meeting he would stand down as Chair because of his new role with the local authority but circumstances have changed hence him having to step in as Chair today. Nominations for new Chair were sent to members with two expression of interests; Janice Rush who is a Secondary Governor and Adam Ryder Principal of Crawshaw. The position of Schools Forum chair alternates between a Headteacher/Principal and a Governor, and as a Headteacher was chair last year it is the turn of a governor this year.	
2.2	When the position of chair and vice-chair was raised at the June meeting Janice Rush had expressed an interest in becoming chair. However, Janice has advised that due to an unexpected change in her work role she is no longer in a position to take on the role of chair and also has to resign her place on the forum. PH asked for direction from members and said a decision on the way forward was required. PH also asked members if they would be happy for him to Chair today's meeting as he had been briefed on the papers. Members were in agreement.	
2.3	Tim Poucey stated that because of the pause on the national funding formula Schools Forum will continue working in the current void for at least the next two years so the group's status will also remain as it is and once the full national funding formula is implemented then Schools Forum may take an advisory role but until then there will be no change.	
2.4	PH said there is a need to refresh the membership and make sure it is has the right proportionate mix of people. John Thorne (Governor - Co-operative Academy Priesthorpe) said he would be happy to put his name forward for Chair but was happy for PH to continue as Chair today. Steve Walker said to give the process a fair and open chance the request for Chair would be opened to the appropriate reps with a deadline of replying within two weeks of sending the expression of interest out.	
2.5	Members were informed that the incoming chair will receive full training from finance officers and a briefing prior to each Schools Forum meeting.	
3.0	Minutes of the 14 June 2018 Meeting	
3.1	The minutes were agreed as a true and accurate record.	

4.0	Matters Arising	
4.1	<p><u>Arising from 2.2</u> – The Stephen Longfellow Academy to be a future agenda item.</p> <p><u>Arising from 7.7</u> – Schools Forum requested a paper outlining the types of fees being charged for external placements.</p>	Future item
5.0	School Balances Update 2018/19	
5.1	School Balances update 2018/19 was given by Louise Hornsey. A report and appendix had been circulated in advance with meeting papers. Schools Forum is asked to note the current position on school balances and provide a view on the proposal that the Schools Forum panel provides additional challenge on schools with deficit budgets.	
5.2	LH notified members that today's paper was to provide members with further updates on the overall reductions of surplus balances which is looking at around 25million. There is an expectation of further reductions to come. An £18m surplus is currently projected for school and extended school balances for 2018/19, a reduction of £7.3m compared to 2017/18. For 2018/19, 178 out of 200 schools have set a budget that shows either a closing surplus or balanced budget position. There are 22 schools (11%) have set budgets with closing deficit balances in 2018/19, a reduction of 5 schools compared to 2017/18. Of these, 17 schools are projecting deficit balances greater than £10k. Overall the total value of deficits is budgeted to reduce by £163k to £5.57m.	
5.3	Work is being carried out with schools with a deficit budget to provide support and challenge, taking into account the level of risk associated with individual budgets. A proposal has been put forward for the Schools Forum panel to support this work by providing additional challenge on deficit budgets. The report includes individual schools balances. Currently there are five schools in deficit. It was noted that there are also schools that have large amounts of surplus budgets and challenge needs to be applied to these schools too.	
5.4	Work is being done with North West SILC to identify options for savings and provide additional financial advice. In particular, the NW SILC has recently obtained agreement that newly qualified teachers can now be employed which should help to improve the budget position moving forward. For 2019/20 it may be possible to balance the in-year budget, however further work needs to be completed to finalise some assumptions, particularly around increases in pupil numbers. Members asked if other schools could benefit from the same model and if opportunities to introduce the same efficiencies to other schools in financial difficulties could be made.	
5.5	LH said they are reviewing processes in general. A revised template will be introduced which will help to escalate any issues.	
5.6	A discussion was had around the purpose and powers of the Schools Forum Panel. JT said the panel does not have powers to claw any monies back except that it provides additional challenge but clarification is needed on what that means for members. Sue Knight asked that Schools Forum recognises that better training for Governors is provided on a regular basis and that the panel would benefit from a framework. Sarah Griggs said that it is important that the Panel provides challenge so any schools slipping in to severe financial difficulties or problems can be averted. Members asked for more guidance for the Panel.	
5.7	LH said Schools Forum recognises the need to develop a training programme for all	

5.8	<p>members and have a set of principles for all to follow. Headteachers stated that schools work extremely hard not to get into a deficit budget and that the panel is about the quality of discussions on the complexities of the balances. It was noted that the panel could do with governor representation.</p> <p>Adam Ryder asked how likely is it that budgets will be reduced this year. LH replied that the situation is monitored continuously and that governors ultimately sign off the school budget. Members highlighted that risks need to be made much clearer but 2019/20 funding is not clear. John Hutchinson stated that schools with unreasonable surplus balances need the challenge. The Chair reassured Schools Forum that some excess balances are recouped and that schools are only allowed to keep 15% of their balance.</p>	
6.0 DSG Budget Monitoring 2018/19 (Month 5)		
6.1	<p>The Dedicated Schools Grant 2018/19 – Budget Monitoring Month 5 was to inform members of Schools Forum of the latest 2018/19 budget monitoring position on the Dedicated Schools Grant (DSG) as at the end of August 2018.</p>	
6.2	<p>Simon Criddle informed members that this report projects an overspend of £160k. This is made up of an overspend on the High Needs Block (HNB) largely as a result of increased expenditure on SEN top-ups. This is mostly offset by a projected underspend on the early years block and a small underspend on the schools block. In June there was a forecast over an overspend of 500million but the picture has improved. SC said there is an ongoing overspend on the high needs block which is being more or less off set from the early years block which is underspent. The anticipation is that there will be no change on the early years block. The key message is it does not feel that the pressure on the high needs block has stabilised and the review and savings brought in have meant that it needs more under control.</p>	
6.3	<p>The report explains the variation on numbers from April to August was that there was a 2 million underspend and there will be an underspend for the remainder of the year. Members were informed that Leeds is no different from other local authorities in respect of early years not spending and high needs over spending. Members asked what the reason was for this. LH said in essence the January census calculates the grants. The spring term is a short term and autumn term is the longest term. There is mismatch between the longest term and the shortest term.</p>	
6.4	<p>Siobhan Roberts stated that the overspend on the high needs is going to continue so a plan needs to be put in place and be creative on how the money is spent. There should be conversations happening with children’s centres as these children are potentially high needs block children. SC said the LA are allowed to retain £600,000. JH informed members that since schools have been able to provide free school meals it is extremely difficult to capture pupil premium children. Parents are not proactively seeking free school meals.</p>	
6.5	<p>As part of the 2017/18 outturn it was reported that the Early Years grant for 2017/18 was estimated as the statutory deadlines for finalising the accounts were earlier than the final grant notification. The final grant was for £456k more income than was included in the 2017/18 accounts which can now be utilised in 2018/19. The main reasons for this additional income were an even greater increase in take up of the additional 15 hours for working parents and a decision not to adjust for any underspends on the Disability Access Fund (DAF). However, it should be noted that the grant conditions require that this underspend should be spent on services that are in line with the aims and principles of the DAF. Schools</p>	

	Forum advised that Primary Forum communicate this to Family of Schools so the message is gets to all Headteachers.	
6.6	Members highlighted their concerns about the overspend on out of authority residential care for a number of children and it is increasing. The care is very expensive and it is taking young people away from Leeds. Members would like to know how many children have come back into the city following the city's new provisions. These young people are the most vulnerable children. Members stressed that things need to change and be done differently. Schools Forum members asked officers to bring further details to the next meeting.	Next agenda
6.7	Steve Walker accepted all points made but noted that the immense pressures on the high needs block are not just unique to Leeds but right across the county. Leeds is due 9million funding from the government but this will be drip-fed and Leeds would prefer to receive it as a lump sum. SW said we need to hold our nerve and manage as best we can and demonstrate we are using the money effectively.	
6.8	SK asked SW to proactively go down to London and demand more money from the government as this continuous stripping of funding from one hand to pay the other cannot go on any longer. The pressures on children's services and looked after children are significant. SW said he would welcome ideas and suggestions from members as a way forward.	
6.9	TP stated that today's discussions show that a wider debate is needed with schools across the city. TP informed members that the local authority will be seeking permission to transfer another 0.5 percent which is the most that can be transferred. TP added that they are constantly aware of the pressures schools are under and are working very hard to make the best of the situation but it is very clear that the situation will continue for the next couple of years.	
6.10	The Chair asked officers if there was something more local to Leeds for those young people that are being sent out of the authority. TP replied that Leeds does not have the provision for those young people. SW said they would look at the pattern of spend and see if there is something that could be done and acknowledged that this was an issue for Schools Forum to monitor.	
6.11	The Chair asked for any further comments. Schools Forum was requested to note the projected overspend on General DSG of £160k which will be added to the deficit on General DSG brought forward from 2017/18. This will make the current projected cumulative deficit £3,539k, with projected de-delegated surplus balances standing at £180k.	
7.0	High Needs Projections to 2021/22	
7.1	This report is to inform members of Schools Forum of the latest projections on the High Needs Block (HNB) funding and expenditure to 2021/22 and to provide further information on how these projections have been calculated.	
7.2	Appendix 1 is a summary of the current projected income and expenditure on the HNB up to 2021/22. There is a great deal of uncertainty around funding beyond 2019/20 but assuming that the current cap on gains continues then the updated projections show that although funding is expected to increase as a result of Leeds benefiting from the new national funding formula, expenditure is also expected to increase as a result of rising demand for support from the HNB leaving a potential in year shortfall each year that will need addressing.	

	<p>Schools Forum were informed that Leeds is underfunded even though Leeds was a large gainer in in the new national formula. There is 3% cap on gains and the cap could go. The main underlining message is that there will continue to be a shortfall for the next three financial years.</p> <p>7.3 Members were given the options of either looking at transferring from one block to another or reducing spend. The recommendation will be to transfer the maximum of 0.9% from schools central block but the figures could be higher and we are waiting for the revised figures to be given from the government. Leeds is looking at a shortfall of 500 million. LH informed members that they will be going out to consult with the indicative numbers shortly and the results will be brought to Schools Forum on the options.</p> <p>7.4 SW stated that Leeds is the second lowest receiver of funding. There are other local authorities that receive more funding than Leeds. Councillor Blake has written to parliament on the concerns Leeds is facing in terms of funding. It was acknowledged the deficit cannot continue and Leeds does need to demonstrate it has a plan.</p> <p>7.5 Members had a discussion on AIP funding and asked who is making the decision to claw back the money to the LA. An error was highlighted in the table. LH to correct the error. TP informed members that the decision is taken by officers in Children's and Families but before any monies is clawed back all business cases, minutes of meetings are considered. There are local determined clawback rules in place which provides challenge on any surplus budgets. SW said all AIP balances are scrutinised. Some AIPs are saving money to develop certain provisions. TP clarified that AIP money is not schools money it is high needs money. The money that is clawed back is put back into the high needs block. SW said that he has been very clear at AIP meetings that the purpose of the funding in the high needs block is for the purpose of the children. It was proposed the clawback guidance be brought to next Schools Forum meeting for member's information.</p>	<p>LH</p> <p>Next agenda</p>
<p>8.0</p>	<p>School Funding Update 2019/20</p>	
<p>8.1</p> <p>8.2</p> <p>8.3</p>	<p>The Dedicated Schools Grant (DSG) is allocated in four blocks; schools, high needs, early years and central schools services. 2019/20 is the second year of the national funding formula for schools, high needs and central school services. The Education and Skills Funding Agency (ESFA) uses the national funding formula to calculate the blocks within the Dedicated Schools Grant (DSG) that are allocated to local authorities. Local authorities currently have some flexibility in how this funding is allocated to schools, within the constraints set out by the ESFA.</p> <p>The ESFA has published some of the indicative DSG funding allocations for 2019/20. These show an increase for Leeds of £6.1m for the Schools Block and £1.7m for the High Needs Block. The final allocations for 2019/20 will be confirmed later in the year using the latest pupil data. There has also been an increase of £75k to the Central Schools Services Block. Funding for the Early Years Block has not yet been confirmed.</p> <p>Local authorities are required to consult with schools on proposals for funding arrangements and report back to their Schools Forum. Schools Forums are then responsible for either making decisions or providing views on the various proposals, in line with the powers set out by the DfE. Financial modelling is currently being carried out for 2019/20 to establish options for consultation with schools. The consultation with schools on the 2019/20 funding arrangements and de-delegation will provisionally run from 15th to 26th October 2018.</p>	

	Briefing sessions will be provided for schools during this period.	
8.4	The Schools Block will again be ring-fenced in 2019/20. Local authorities are able to transfer up to 0.5% of their schools block funding out with the agreement of their Schools Forum. For Leeds this would be approximately £2.5m. Transfers of more than 0.5% may be allowed in circumstances where the Secretary of State has previously allowed a transfer between blocks and where this is again agreed by the Schools Forum.	
8.5	Due to the ongoing pressures on the High Needs Block, for 2019/20 the local authority will be consulting with schools in October 2018 on a transfer of funding from the Schools Block. The amount to be consulted on will be decided following further consideration of the pressures on the High Needs Block.	
8.6	A further change to funding arrangements is that growth funding will now be allocated to local authorities on a formulaic basis rather than using historic spend. Growth funding allocations for 2019/20 will not be confirmed until December 2018 and the indicative 2019/20 Schools Block allocation currently includes the 2018/19 growth funding amount. As in previous years, Schools Forum are responsible for agreeing the amount of growth funding to be top-sliced from the Schools Block (which does not have to be the same as the amount of growth funding allocated by the ESFA). Details will be brought to a future Schools Forum of the proposed amount and criteria for the 2019/20 growth fund.	
8.7	The Local authority will be consulting with schools in October on the proposals for de-delegated contributions in 2019/20. There was an expectation that 2019/20 will be the last year that de-delegation would be possible, as the ESFA had intended to bring in the full national funding formula in 2020/21. This has now been delayed until at least 2021/22 and de-delegation will continue until the national funding formula is fully introduced.	
8.8	In summary Schools Forum was asked to note the latest position on the 2019/20 school funding arrangements and the ongoing work to develop and consult on the allocation of this funding.	
8.9	SW thanked LH and SC and the wider team for all the work they have done for schools. It is an immense amount of work with massive challenges to face in the coming months. SW thanked the Chair for all his contributions and making Schools Forum run effectively and efficiently.	
9.0	AOB	
9.1	Members were asked if they were happy with today's venue and for future meetings to be held at Merrion House. Members said they were happy with the venue.	
9.2	It was noted that 21 st February 2019 falls in half term week. It was agreed that the date of Schools Forum would be changed.	
10.0	Date of Next Meeting	
10.1	Thursday 15 November 2018, 4.30pm at Merrion House Date of Future Meetings: <ul style="list-style-type: none"> - Thursday 17/01/2019 - Thursday 21/02/2019 – date to be changed - Thursday 13/06/2019 	