

**LEEDS SCHOOLS FORUM**
**Minutes of the Meeting held on Thursday 23 November 2017 at Civic Hall (4.30PM – 6.30PM)**

<u>Membership (Apologies in Italics)</u>	
<u>GOVERNORS</u>	<u>HEADTEACHERS</u>
<b>Primary (6 seats)</b>	<b>Primary (7 seats)</b>
<i>Phil Hirst</i> <i>Christ Church Upper Armley</i> <i>Sue Knights</i> <i>Little London &amp; Alwoodley</i> <i>Pete Riley</i> <i>Whitecote</i> Gillian Simpson                      Shakespeare Sara Nix                                      Rawdon Littlemoor <i>Vacancy</i>	Peter Harris                      Farsley Farfield <i>Sarah Griggs</i> <i>Valley View</i> <i>Julie Harkness</i> <i>Carr Manor</i> Helen Stout                      Meadowfield John Hutchinson                      St Theresa's <i>Claire Harrison</i> <i>Wetherby Deighton Gates</i> Helen Stott                      Allerton C of E
<b>Secondary (2 seats)</b>	<b>Secondary (2 seats)</b>
Doug Martin                      Pudsey Grangefield <i>Janice Rush</i> <i>Allerton Grange</i>	Delia Martin                      Benton Park <i>Brian Kelly</i> <i>Royds</i> <i>Vacancy</i>
<b>Special (1 seat)</b>	<b>Special (1 seat)</b>
Roger Cannon                      East SILC & NW SILC	Diane Reynard                      East SILC
<b>Non School</b>	<b>Academies (8 seats)</b>
<i>Peter Best</i> <i>PVI Providers</i> <i>Susan Knowles</i> <i>PVI Providers</i> Steve Thompson                      Schools JCC <i>Richard Noake</i> <i>Diocese of WY &amp; Dales</i> <i>Bill Jones</i> <i>Deputy CEO, Leeds City College</i> <i>Angela Cox OBE</i> <i>Catholic Diocese</i>	David Gurney                      Cockburn School Mike Gidley                      White Rose Academies Trust Ken Morton                      Brigshaw LP MAT & Ashtree Adam Ryder                      Bruntcliffe Academy Scott Jacques                      Springwell Leeds Academy John Thorne                      Co-op Academy Priesthorpe <i>Vacancy</i> <i>Vacancy</i>
	<b>AP Academy</b>
	<i>Samantha Campbell</i> <i>The Elland Academy</i>
<b>Local Authority Reps:</b>	
Sue Rumbold, Chief Officer Partnerships	Louise Hornsey, Principal Financial Manager
Barbara Newton, Head of Service Complex Needs	Simon Criddle, Head of Finance
Tim Pouncey, Chief Officer Audit & Investment	Andy Humphries, ESFA Observer
Andrew Eastwood, Chief Officer Learning Improvement	
<b>Minutes:</b>	
Mark Thompson, Leadership Assistant	

Item		Action
<b>1.0</b>	<b>Apologies &amp; introductions</b>	
1.1	Peter Harris (Chair) extended a warm welcome to members and observers, and formally introduced new governor representative Sara Nix (Rawdon Littlemoor Primary). Apologies were noted.	
<b>2.0</b>	<b>Minutes of the 5 October 2017 meeting</b>	
2.1	The minutes were agreed as a true record.	
2.2	Item 3.1: Andrew Eastwood had not yet arrived at the meeting, so an update on the vice chair vacancy was not provided.	<b>AE</b>
2.3	Item 4.11: Simon Criddle advised that the next detailed budget monitoring report will include an update on what has been spent to date (most likely available in January).	
2.4	Item 4.17: A revised proposal on attributing £500,000 of the de-delegated reserve to the adjustment asked for on severance payments is included in this month's papers.	
2.5	Item 5.4: Louise Hornsey advised that the Capita contract for SIMS licences is currently being looked at and alternative options explored. LH will report back at a future Schools Forum meeting.	<b>LH</b>
2.6	Item 7.6: Helen Stott (Allerton C of E) queried the minute at 7.6. A brief discussion followed on the low take up of the fund and how people do not appear to know about it. The directorate is now actively addressing this.	
2.7	Item 7.7: The findings of the High Needs Block review have now been modelled and included in this month's papers.	
<b>3.0</b>	<b>Matters arising</b>	
3.1	No items discussed.	
<b>4.0</b>	<b>Recommendations following the review of the High Needs Block of the Dedicated Schools Grant</b>	
4.1	Sue Rumbold and Barbara Newton talked members through the High Needs Block review paper and its recommendations.	
4.2	Following October's Schools Forum, specific options have now been modelled and are detailed in the paper and supplementary appendices. SR acknowledged that certain schools would be particularly impacted by some of the options, especially around notional inclusion budgets. Schools Forum was invited to consider taking some of the options forward (please see item 4.26).	
4.3	Roger Cannon (East SILC & NW SILC) highlighted the large discrepancy in High Needs Block funding between Leeds and other comparable authorities, and asked what the LA is doing to address the anomaly. Barbara Newton advised that when the High Needs Block was	

	<p>established in 2013, it was based on historic spend with some uplift for growth factors. However, the government has recognised this and is looking to redress the balance through the introduction of the National Funding Formula for the High Needs Block. Members noted that the underfunding in Leeds was a concern.</p>	
4.4	<p>Ken Morton (Brigshaw LP MAT &amp; Ashtree) reported on a recent conversation with Tom Riordan on the financial pressures of the High Needs Block.</p>	
4.5	<p>SR advised that the Association of Directors of Children’s Services (ADCS) has conducted a survey into High Needs Block spend and reminded members of the national picture, which was of many local authorities reporting overspend on the High Needs Block. RC remarked on the inequity of our situation due to historical funding decisions since 2013.</p>	
4.6	<p>BN outlined the option of ceasing to provide additional funding to supplement notional inclusion budgets (NIBs) in mainstream schools. The impact on individual schools of removing additional blocks of £6,000 is shown in the appendix of the paper. BN remarked that the Leeds approach is not typical and could be considered generous. However, the withdrawal of this funding would have a significant impact on a number of schools, so various options need to be explored. These include increasing the percentage criteria from the current 40% and having a cap on the maximum loss per school. In addition, a process could be put in place to consider whether exceptional circumstances apply and additional funding could be released to respond to particular circumstances.</p>	
4.7	<p>PH questioned whether Schools Forum was asked about reducing the deficit on the DSG at £1 million per annum, and whether it would be affected by implementation of the National Funding Formula. SC explained that the model was based on repaying the deficit and achieving a break-even budget position over a five-year period.</p>	
4.8	<p>Mike Gidley (White Rose Academies Trust) asked how the additional blocks of funding are arrived at/calculated, and noted that schools with higher numbers of pupils with SEN would suffer greater impact. BN advised that the NIB is based on various factors, but the calculation does consider the size of the schools and number of children. She added that the LA is trying to ensure schools attracting more pupils with SEN are not penalised.</p>	
4.9	<p>Scott Jacques (Springwell Leeds Academy) asked what consideration had been given to the risk of reducing support to pupils with SEN and whether it had been factored into the model. BN acknowledged the increase in demand for specialist places and requests for EHC plans, and stated the LA needs to find a way of staying within budget that is as fair as possible.</p>	
4.10	<p>A debate was had on the proposal for changing the FFI unit value to £630 and its impact on schools. Diane Reynard (East SILC) asked whether the proposal applies to both mainstream schools and SILCs, to which BN advised it only refers to mainstream schools. RC added that £630 represents a sizeable cut across the board.</p>	
4.11	<p>KM suggested reducing the FFI unit value to £600 as an alternative proposal, which would provide a more equitable distribution of the impact of the reduction and still meet the required level of reduction in spend. There was some support among members for this.</p>	
4.12	<p>RC asked what quality assurance work is done around value for money and monitoring spend. BN advised that it is fundamentally the responsibility of governors in mainstream schools to monitor spend. She added that the LA can more closely monitor pupils with EHC</p>	

	plans, while also reviewing attainment levels. She reassured members that the LA monitors as much as it can within the resources available.	
4.13	DR asked whether School Improvement Advisers look at SEN during school visits. AE confirmed they do and that low attainment levels are addressed.	
4.14	Helen Stott (Allerton C of E) raised a question around monitoring value for money in free schools. AE reassured members that the LA has a responsibility for all children in Leeds, though ultimately pupils in free schools are not funded by Leeds. He advised that free schools are accountable through regional schools commissioners and that the LA could most definitely raise concerns in the event of children's needs not being met. AE remarked on the positive relationship the LA enjoys with academies and free schools.	
4.15	John Hutchinson (St Theresa's) cautioned against judging the progress of pupils with SEN against their national peers. Progress should be judged from their own relative starting points and comparisons with national peers is not helpful. AE concurred and assured members the LA defends the progress and achievements pupils make. However, the reality is that Leeds' results are presented alongside other authorities in the country and comparisons drawn. A brief discussion followed on the difficulties in closing attainment gaps for pupils with SEN.	
4.16	PH spoke about how the criteria for getting on the SEN register varies among LAs and issues with the data not being a true reflection of the children who need intervention. Members were assured work is being done in this area.	
4.17	KM remarked on the lack of information on SILCs in the paper's proposals and recommendations. Helen Stott (Allerton C of E) asked why the decision was made to exclude SILCs from the proposed cuts. SR remarked that this was because FFI is the main funding source for SILCs and any cut would have a disproportionate impact on SILCs.	
4.18	Sara Nix (Rawdon Littlemoor) remarked that excluding SILCs means the true effect of the savings cannot be known. BN advised that the savings shown in the paper excluded SILCs.	
4.19	Regarding the proposal to transfer £2 million from the Schools Block into the High Needs Block, MG asked why the value could not be increased to the maximum permitted amount of £2.4 million to reduce the pressure on FFI. SC advised this is because the authority is conscious of the impact on schools of the other proposal around severance costs.	
4.20	Gillian Simpson (Shakespeare) remarked on repaying the £1 million deficit on the DSG and her discomfort with transferring £2 million from the Schools Block when one could argue half of it is being used for the High Needs Block deficit. She asked whether a budget could be set where the deficit does not increase and repayment is deferred. AE reported on the limited number of options available and the consequences that deferring repayment would have.	
4.21	Helen Stout (Meadowfield) asked whether we would be in a similar situation next year and having similar discussions. SC advised it was difficult to completely guarantee this, but assumptions around growth and increase in places had been factored into the financial model. It has also been assumed that there will be an additional £2 million transfer in 2019/20 from the Schools Block.	
4.22	GS commented on the potential for schools to reach breaking point.	

4.23	RC remarked that budget option 4 saves £1.3 million without having to affect the additional blocks of funding. This option spreads the impact and gives time for further work to be done on the impact of reductions to the notional inclusion budgets.	
4.24	John Thorne (Co-op Academy Priesthorpe) remarked on the uneven impact across schools and noted that budget option 4 does not have the peaks and troughs other models have. Tim Pouncey provided some background to the calculation of the unit rate and that funding in the system was now out of step with the increase in demography.	
4.25	<p>Following the above debate, Schools Forum decided on the following in terms of the five recommendations in the paper:</p> <ul style="list-style-type: none"> <li>- <i>Support the removal of funding for the Teenage Pregnancy Support Service from the High Needs Block.</i> Schools Forum was supportive of this.</li> <li>- <i>Consider the proposal for changing the FFI unit value to £630 and the impact on individual schools.</i> There was support for changing the unit value to £600 as an alternative to reducing the notional inclusion budgets. LA to bring revised proposals to the January meeting.</li> <li>- <i>Consider the proposal for ceasing to provide additional funding to supplement notional inclusion budgets in mainstream schools and possible options to phase this saving in such as implementing a cap on losses and suggest any circumstances they would like to be taken into account when schools apply for additional funding to supplement their notional inclusion budgets.</i> Schools Forum would like the LA to model raising the percentage of the notional inclusion budget to be spent on individual blocks of £6,000 to 50%. Schools Forum remained concerned about the impact of the proposal.</li> <li>- <i>Consider the proposal for transferring £2m from the Schools Block into the High Needs Block for 2018/19.</i> To be discussed in agenda item no. 5.</li> <li>- <i>Consider the proposal for transferring £0.5m from the Central Services Block to the High Needs block for 2018/19 (the specific recommendation will be considered as part of a separate report on the agenda).</i> To be discussed in agenda item no. 5.</li> </ul>	<p>BN</p> <p>BN</p>
<b>5.0</b>	<b>Schools Funding Proposals 2018/19</b>	
5.1	Louise Hornsey and Simon Criddle presented highlights of the '2018/19 School Funding Proposals' report.	
5.2	Following consultation on school funding arrangements for 2018/19, Schools Forum is being asked to consider and vote on a number of proposals (please see item 5.14 below). A further report will be brought to Schools Forum in January 2018 to confirm the final school funding allocations for 2018/19. LH remarked on the disappointing 25% response rate to the consultations and that the LA will look to increase this in the future, given how important the issue being consulted on was. Feedback from the consultations was that the majority were supportive of the transfers between Blocks and contribution to severance costs. In addition,	

	there was consultation on two funding formulas, with the majority being supportive of a move towards the National Funding Formula.	
5.3	SC directed members to item 2.8 onwards in the paper, which provides an update on the in-year monitoring position. Overall, the LA is not projecting significant change from the position reported to Schools Forum in October. There are minor variations among the Blocks. There is an overall overspend of around £900,000 on the DSG.	
5.4	Helen Stott (Allerton C of E) asked about the overspend on the High Needs Block and whether it is to do with the deficit carried forward. SC advised that the October report provided details of the variances and that the position hasn't changed significantly, but one of the reasons for the overspend was the SILC deficit.	
5.5	LH talked through each of the four recommendations in detail and invited questions from members.	
5.6	The LA received several comments during consultation querying the reasons for overspends against the high needs budget, particularly the deficit relating to the North West SILC. Verbal responses were provided at the briefing sessions and this matter has also previously been discussed at Schools Forum. PH asked how further information would be shared, given that many people do not attend forums. AE advised that the LA would not be writing to schools on the matter, but hoped that information shared at forums would be disseminated among colleagues. KM added that it is important to include context when communicating to schools and explain the positives too.	
5.7	PH asked whether the outturn figure shared in October (regarding the North West SILC) is still likely and whether a date is fixed yet. AE advised that a date is not yet fixed, so a final figure could not be reported. A discussion followed on being cautious around how such a deficit is communicated when it relates to one particular school, while acknowledging the value of transparency. Helen Stott (Allerton C of E) questioned how the LA would mitigate a similar situation in the future. AE acknowledged the argument around prevention and the LA potentially intervening sooner, and also commended the positive work being done now to create a strong and viable provision.	
5.8	LH reported that the LA is in the process of reviewing how deficits are managed and challenged. LH agreed to provide a verbal update to Schools Forum at the next meeting.	LH
5.9	LH outlined the options for funding formula for 2018/19: option 1 was retaining the existing local funding formula; option 2 was moving as close as possible to the National Funding Formula. Most LAs have consulted on these two options, and option two is the general preference. Both options propose a 0.5% increase in funding per pupil. LH acknowledged anomalies in some of the figures used within the consultation, which enabled some schools to gain more funding than they would under the National Funding Formula. This is due to differences between the National Funding Formula (under which the council is allocated funding), and the rules that the council can use to allocate the funding out to schools.	
5.10	Some initial modelling has been done to address schools' concerns around how funding is being distributed. LH advised that the council was intending to ask the ESFA to vary the rules in the following areas, so that the National Funding Formula can be replicated as fully as possible and the anomalies in funding addressed:	

	<ul style="list-style-type: none"> <li>- Apply a 0.5% minimum increase in per-pupil funding, compared to schools' 2017/18 baselines.</li> <li>- Applying a cap on gains within the formula as well as a minimum per pupil amount.</li> <li>- Excluding premises funding from the minimum per pupil amount calculation.</li> <li>- Excluding the rental costs of temporary modular units from 2017/18 baselines where schools no longer have these units, as otherwise these schools will be overfunded.</li> <li>- Applying sparsity funding (for small and remote schools) in line with the national funding formula.</li> </ul>	
5.11	<p>The October 2017 pupil census data will become available in mid-December, around the same time as we should receive a response from the DfE to our requests. We will produce updated 2018/19 schools funding figures at this time to reflect any updates to the formula and the latest pupil data.</p>	
5.12	<p>The final funding formula will be approved in line with the council's decision making framework and a further report will be brought to Schools Forum in January 2018 to confirm details of the final formula. The LA will then submit details of the funding allocations for schools to the DfE by their deadline of 19/01/18.</p>	
5.13	<p>On the issue of sparsity funding, GS highlighted the difference between options 1 and 2, and asked what factor was causing it. LH advised sparsity funding would only affect two schools in Leeds.</p>	
5.14	<p>MG mentioned how the lump sum allocated to schools is lower than in the previous Leeds formula. Under the National Funding Formula all schools will receive £110,000, but the previous Leeds formula provided a higher figure (£150,000 for primary and £175,000 for secondary schools). He asked about proposals around a minimum funding guarantee. LH advised that 0.5% is what we wanted to offer. Current rules are we can set between -1.5% up to 0%, and this is one of the rules the LA will be applying to the ESFA to vary.</p>	
5.15	<p><b>Decision:</b> LH asked members to vote on the following proposals. Below are the proposals and resultant votes:</p> <ul style="list-style-type: none"> <li>- <i>Schools Forum is asked to consider and vote on a proposal to transfer £2m from the schools block to the high needs block.</i> Schools Forum voted in favour of this.</li> <li>- <i>Schools Forum is asked to consider and vote on a proposal to transfer £500k from the central schools services block to the high needs block.</i> Schools Forum voted in favour of this.</li> <li>- <i>Maintained school members of Schools Forum are asked to consider and vote on a proposal for a contribution in 2018/19 by maintained schools towards the severance costs of maintained school staff, to be applied as a per pupil amount.</i> Schools Forum (eligible to maintained school members only) voted in favour of this.</li> <li>- <i>Schools Forum is asked to consider and vote on the proposed schools funding formula for 2018/19.</i> Schools Forum voted in favour of the option that moves closer to the National Funding Formula.</li> </ul>	

5.16	PH also called for a vote on submitting a request to ESFA for an adjustment to the Local Funding Formula rules, as discussed above. All members were in agreement to this.	
<b>6.0</b>	<b>Schools in Financial Difficulties Fund – Panel Recommendations</b>	
6.1	LH presented highlights of the 'Schools Forum Panel Update' paper.	
6.2	The panel considered a bid for funding from a school with a significant reduction in pupil numbers, and the panel recommended that £58,430 be allocated to support their budget during 2017/18. This was calculated in line with best practice examples provided by the Department for Education.	
6.3	The panel also considered requests from schools to fund capitalised pension costs in instances where schools were required to make staffing reductions in order to address budget issues. The total amount of pension costs to be met from the budget for schools in financial difficulty is currently £751,066. MG asked about what pension costs can be paid. LH agreed to find out more details.	<b>LH</b>
6.4	The total amount recommended for approval by the panel was therefore £809,496. The recommendations of the panel will be submitted to the Director of Children and Families for approval. This will leave a balance remaining of £175,504 within the 2017/18 budget for schools in financial difficulty. Further bids for funding may be received before the year end and a further update will be provided if this is the case.	
<b>8.0</b>	<b>Meeting dates</b>	
8.1	2017/18 academic year: <ul style="list-style-type: none"> <li>• <del>January 11, 2018</del> now January 18 (Schools Forum agreed to this date change)</li> <li>• <del>February 15, 2018 (Reserve)</del> now February 22, 2018</li> <li>• March 22, 2018</li> <li>• June 7, 2018</li> </ul>	