

CITY OF YORK SCHOOLS FORUM

Minutes of the Schools Forum held on Monday 3rd July 2017 at 1.00pm

Attendance list:

Members:

Brian Crosby	Academy Representative and Chair
Adam Booker	Special School Representative
Richard Crane	Maintained Secondary Representative
Andrew Daly	Academy Representative
Debbie Glover	Maintained Primary Headteacher
Tricia Head	Pupil Referral Unit Representative and Vice Chair
Andy Herbert	Maintained Primary Headteacher
Trevor Burton	Academy Representative
Tracey Ralph	Maintained Primary Headteacher
Ben Rich	Maintained Primary Governor Representative

Observers / Advisors:

Cllr Stewart Rawlings	Elected Member for Education, Children and Young People
Jon Stonehouse	Director of Children, Education & Communities
Richard Hartle	Head of Finance, City of York Council
Maxine Squire	Assistant Director, Education and Skills
Salli Radford	Coordinator and Clerk

1. Welcome and update on membership

The Chair welcomed everyone to the meeting. It was noted that Cllr Runciman would not routinely attend meetings but would attend should Cllr Rawlings be unavailable.

2. Apologies for absence

Apologies were received with consent, from Alison Birkinshaw – FE Representative, Nicola Fox – Maintained Nursery Representative, Ken McArthur – Early Years Sector Representative and Lorna Savage – Maintained Secondary Headteacher. Bill Scriven – Maintained Secondary Headteacher (VA school), was absent from the meeting.

3. Membership update

Debbie Glover and Adam Booker were welcomed to their first Forum meeting.

4. Minutes of the York Schools Forum meeting of 3rd April 2017

Previously distributed.

The minutes of the meeting of 3rd April 2017 were agreed to be a true and accurate record and were signed by the Chair.

5. Action Plan and Matters Arising

With reference to the action plan:

Point 1 – Maxine Squire advised that work was being done with the virtual staff colleague and that facilitated sessions would be arranged. Details would be circulated

later during the week commencing 3rd July to ensure involvement of schools. Maxine advised of the need to ensure that the review addressed all issues, as these had proved more complex than initially thought. It was noted that there was more information to be incorporated and that external facilitation would be invited. Maxine advised that the review was being taking forward with Eoin Rush and that details would be published before the end of term.

Point 2 – Completed.

Point 3 – Completed.

Point 4 – Completed.

Point 5 – Completed.

Point 6 – Maxine Squire advised that the Teachers Panel traded proposal was ready to upload on York Education. It was noted that the LA finance team had supported charging and process aspects, which would link into York Education facilities and would be fully traded. The Chair advised that MATs were now consulting with unions and developing their own policies, asking whether release time was included in the offer or had been separated. Maxine advised that a menu was being developed and that customers could feedback requesting different aspects of the offer. The Forum discussed this update, with Maxine advising that there was no automatic policy development work with York and that the Panel would also be working with NYCC HR. The Forum further discussed the offer, noting that a member expressed the opinion that the move to NYCC policies was changing current terms and conditions and becoming generally less favourable. The Forum noted some tensions regarding the perception of protected rights. Maxine advised that any school was able to develop its own policies, though it must go through a process of formal consultation. Further feedback on the launch of the Teachers Panel offer on York Education would be provided to the next meeting.

Matters Arising:

In response to a question regarding the Pathfinder TSA CPD offer being fully traded from 2019/20, The Chair advised that the Forum would need to agree funding arrangements each year but that the intention was for the offer to become fully traded by 2019/20. A member expressed the view that funding would need to be reviewed for 2018/19 due to budget pressure as schools were unable to commit to a two year plan. Richard Hartle advised that he had provided advice to the Forum on the retention of funding to the city, explaining that this may need to be discussed with the DfE and that it would be advisable to show that the intention of the Forum was to retain a funding pot as this could be helpful in negotiations. In response to a question regarding a single-year funding arrangement, Richard advised that the Forum had agreed that it would need to make a decision on an annual basis, though the intention was to retain a central fund. It was noted that a decision would be required for 2018/19. The Chair advised that the minute reflected the desire of the working group, but that it would be minuted that the Forum would be required to make a decision each year.

6. Maintained School Outturn Balances 2016/17

Tabled. Richard Hartle presented the maintained school balances, advising that this included a comparison to national data from one year ago. It was noted that the Forum was required to review any funds within scope of clawback within the excessive reserves scheme. Richard advised that thresholds remained 5% or revenue income for secondary schools and 8% for primary and special schools.

It was noted that no York school was in a clawback position when committed reserves and exceptional items were taken into account. The Forum noted the summary included in paragraph 5. It was noted that overall reserves had fallen by c£0.5M but that schools' projections had predicted a larger fall. Richard advised that this was the

first time the city had seen a significant reduction in school reserves, though the situation remained generally stable. The Forum noted that total uncommitted reserves represented 3% of total resource allocations at 31/3/17.

Richard highlighted the national comparison included in Annex 2, advising that this showed York at the lower end of comparisons both regionally and nationally, as well as when compared to statistical neighbours.

In response to a question regarding clawback and how this related to nursery entitlement which could represent significant funds, Richard advised that nursery income was based on an estimate and paid upfront then adjusted to reflect actual numbers, though this would be checked and clarified.

In response to a question regarding the ability of schools to tap into contingencies if clawback would take a school into deficit, Richard advised that this was for individual schools to manage. It was noted that indicative figures were used to calculate initial funding and that schools were then to make their own judgements and manage this, though impact would depend on a school's capacity to expand to offer 30 hours.

In response to a question regarding Annex 4 and the differential between start budget and outturn in some schools, in particular an outturn balance which was significantly higher than the previous year, Richard advised that generally outturns followed the same pattern each year, with schools predicting a higher deficit or lower surplus each year than the actual outturn. Richard advised that Annex 1 showed that schools were inclined to make pessimistic budget predictions. Maxine Squire advised that post-16 funding was very difficult to predict and lagged funding mechanisms would eat into reserves, causing 11-18 schools to consider holding reserves knowing that this would cushion losses. The Forum discussed the balances, noting the view that the Forum should address the issue of inaccurate predictions. In response Richard advised that the LA provided information each year on income and that expenditure was generally stable. It was noted that some information was indicative and could change, though schools should be able to make reasonably accurate predictions. Richard advised that schools took different approaches when setting their start budgets. It was noted that the LA would challenge a school if it was felt that a budget was not reflective of expected income levels.

It was noted that the information circulated related to maintained school budgets only. Further discussion took place, with Richard making the point that budget setting processes were not consistent across all schools and that a small number of schools had made forecasts that were not accurate with this distorting balances overall. The Forum discussed this issue further, with a suggestion being made that some analysis regarding the reasons for the difference in reserve levels between schools be undertaken.

The Forum noted the opportunity to review balances at the mid-year point and the opportunity for the Forum to support planning mid-year to ensure that funding was applied to best purpose. The Forum noted the budget impact of staffing changes between budget setting in April and the start of the academic year in September, with Richard advising that the revised budgets submitted in November indicated an increase in outturn projections but still not to the levels that were shown at year end.

The Forum noted the overall primary school outturns, with only four schools in a deficit position. Maxine advised that schools were required to manage their budgets correctly rather than holding revenue budget reserves which could be invested in school improvement. Richard advised that reserves were not excessive compared to national

data, further advising that schools were provided with information on predicted levels of income from various streams.

The report was noted.

7. DSG and Schools Budget 2017/18

Previously distributed. Richard Hartle advised that the 2017/18 budget had been set with a number of assumptions, based on broad principles agreed with the Forum and statutory items included by the LA. It was noted that Richard then brought back a detailed paper on the DSG illustrating these decisions to enable reflection prior to the next budget-setting process.

Richard referred the Forum to the Section 251 summary statement included as Annex 1, advising that the total schools budget was c£125M.

Richard presented the report, highlighting main variances and narrative provided to explain funding mechanisms which had been subject to review or revision.

In response to a question regarding the general school contingency, Richard advised that this was a centrally held de-delegation at an allocation of £4 per pupil for maintained schools. Richard advised that this contingency was held to meet exceptional circumstances and was allocated at the discretion of the Director of Children's Services. It was noted that £64k had originally been allocated to the contingency for 2017/18, although this would reduce during the year as more schools converted to academy status. Richard provided examples of previous use of the contingency.

In response to a question regarding the support for inclusion and the clarification of nurture groups, Richard advised that support was currently provided for groups at two schools, with funding allocated to the host school. In response to a question regarding the availability of funding to other schools for similar projects, Richard advised that this was not currently available. Maxine Squire advised that this issue would be picked up by the inclusion review.

The Forum discussed the report, with Maxine advising that external facilitation would help bring a fresh view. Jon Stonehouse advised that a review of longstanding arrangements was necessary to ensure best value.

Further discussion followed, with the Richard advising that the criteria for pupil growth funding allocations were included at Annex 2. It was noted that schools that expanded to take additional pupils, with the approval of the LA, were eligible to be considered for additional funding to help mitigate the funding lag built into the core school funding formula. It was noted that Infant Class Size Funding was allocated within the LA using the criteria previously agreed by the Forum.

The Forum discussed the mechanism for approval of school expansions and funding for additional pupil places, with Richard outlining these. It was noted that funding criteria were triggered following discussion with colleagues from planning and other teams.

It was noted that capital funding was managed separately. It was further noted that funding was set before September intakes were confirmed and actual pupil rolls known.

The Forum discussed the role of partnership working, noting that central government grants were received by the LA for basic needs but that prudential borrowing was also an option which could enable the LA to better meet the needs of children within the city.

The report was noted.

8. Future national education funding – including update on National School Funding Formula and LMS Formula review

Previously distributed. Richard Hartle advised that there was currently no new information available on next steps regarding the National Funding Formula review. It was noted that the paper included detail of the areas covered by the DfE consultation. It was noted that Richard had responded on behalf of the LA, advising that the schools block funding was expected to increase by 5.4% if proposals were implemented.

Richard advised that paragraph 5 showed the impact on individual schools of the expected increase, advising that generally schools would have gained funding, to a maximum of 12.8%. The Forum noted the relatively positive position, also noting that this was not confirmed and that further consultation may follow.

The Forum noted the opportunity to review the Local Funding Formula, noting the need to make a decision now if considering moving to review for 2018/19. Richard advised that a small sub-group of headteachers had met late in the 2016/17 autumn term, with their recommendations being set out in paragraph 10. It was noted that the group had recommended a 50% reduction in funding allocated through deprivation factors within the formula (redirecting the funding released into the AWPU factor), and replacing FSM with IDACI for the remaining 50%, as it was felt that using IDACI would create an overall fairer balance as the Pupil Premium was also allocated under the FSM indicator. It was further noted that there was now no guarantee of a National Funding Formula for 2018 and that the Forum would need to decide whether to progress changes to local arrangements and to begin to consult with all schools.

The Forum discussed local options, with the Chair advising that no additional funding would be made available and that the review would be based on reallocation of existing funds with the final decision to be made by the Executive, following consultation with the Forum.

Richard tabled an indicative analysis to illustrate the potential impact of the recommended changes to local funding mechanisms. The Forum discussed this information, noting the view expressed during previous discussion that FSM was too heavily weighted, though DfE modelling did not seem to support this as a direction of travel. A view was expressed that it would be preferable to await the National Funding Formula review outcome rather than put a local arrangement in place that would disadvantage schools out of line with national policy.

Richard advised that the illustration showed final outcomes following a phased implementation, further advising that an additional £5.5M of funding would be brought into the city should the DfE's current NFF proposal be implemented.

The Forum further discussed options, noting that the Local Funding Formula had been developed in 2008/09 to address local need and that the advantages for some schools

had widened following the introduction of Pupil Premium. It was noted that local arrangements had become increasingly outdated.

Jon Stonehouse advised that it was the role of the Forum to consider options at each meeting and take decisions based on nationally available data. Maxine Squire advised that in general terms increases in funding for deprivation had not impacted positively on outcomes as the attainment gap persisted.

The Forum unanimously agreed not to progress a revised Local Funding Formula at this stage.

9. School Improvement Commissioning Fund update

Previously distributed. Maxine Squire presented the update, advising that the centrally retained fund approved by the Forum for 2017/18 would be subject to stronger governance arrangements relating to decisions regarding sector lead school-to-school support. It was noted that the approved transitional model continued to support elements of the school-led offer, including funding for Pathfinder TSA CPD and for Schools Causing Concern, with Maxine advising that the Forum had decided that Schools Causing Concern funding be rolled forward and assessments made on need rather than allocating £200k to MATs and £200k to maintained schools.

Maxine advised that the Forum had agreed that a small amount of cluster funding be maintained, with cluster chairs being supportive of this decision and agreeing to send evaluations to the Forum to enable oversight. It was noted that cluster improvement plans would come to the Forum and that unspent balances would be accounted for. Maxine advised that cluster chairs believed that work undertaken geographically in addition to MAT-focussed work was supporting transition and other focus areas. It was noted that the Forum had agreed that the balance of unallocated centrally retained funding would be returned to schools on a per-pupil basis, with this being modelled in papers considered by the April Forum meeting, with the return of funding being based on a commitment to apply in support of school improvement. Richard advised of the need to arrange this return of funding in addition to the funding formula allocation and to be sent to schools with reference to centrally retained funding during the autumn term for use during the 2017/18 academic year. Richard advised that the release could be based on updated October 2017 census information but that this would delay the allocation until December. Richard would circulate figures again for information with minutes of the meeting and, given the views of the forum, would base the allocations on the previous year's census data to avoid delays.

Maxine advised that the Pathfinder TSA CPD offer had been refined to reflect the decision to support core provision only, with non-core CPD charged at a commercial rate.

Maxine referred the Forum to paragraph 3.2, advising that the allocation of Schools Causing Concern funding had been considered and the best decision-making and governance arrangements put in place. It was noted that Maxine had met with representatives of Huntington Research School, the CEOs of the MATs and other key stakeholders and that risk assessment information from the LA and MATs would be used to enable a joined-up approach to risk and due diligence.

The Forum discussed the update, with the view being expressed that the majority of primary schools were still LA maintained and should be included as stakeholders in the group to ensure that expertise was accessed and contributed.

Maxine outlined group membership, with further discussion following.

The Chair advised that the group had previously considered Schools Causing Concern funding being allocated by the SICG, though this discussion became complex as Schools Causing Concern funding was now generally allocated to a MAT as another maintained school could not act as main support structure or sponsor. The Chair highlighted the long term commitment involved in supporting a vulnerable school, advising that funding was focussed on those able to work with the RSC to finalise support arrangements.

The Forum further discussed the update.

Maxine advised that risk assessments were based on data trends over time, not a single year, and were increasingly sophisticated. It was noted that the LA was seeking to move away from large groups of people making decisions against a background of historical open and transparent decision making. Maxine advised of the need to remain focussed on school improvement work in schools that most needed help, with support that was targeted and high-quality. Maxine advised that this often relied on human capacity to drive improvement rather than on funding. It was noted that membership of the group currently included the LA which held responsibility for maintained schools and MAT CEOs who held responsibility for academies and schools under a sponsorship arrangement.

Following further discussion concerning value for money and the need to ensure transparency around funding allocations, it was noted that sensitivities did restrict the level of information that could be widely shared. The need to report back to the Forum in a way that provides assurance was noted. Maxine advised that the group had discussed the option of refusing to support a school with resourcing if it was carrying a significant revenue balance as a way of ensuring a more equitable system.

Andrew Daly left the meeting at 3.00pm.

Maxine advised that the group planned to report back to the Forum, with Jon advising that the group's terms of reference defined accountability.

It was agreed that the report brought to September meeting would be reviewed and any further suggestions regarding the reporting mechanism considered.

10. Schools Forum forward plan

Richard Hartle suggested that the September Forum meeting could consider:

- 2018/19 budget preparations
- An information paper on school start budgets
- Schools capital programme
- Possibly a report on the Inclusion Review

11. Any Other Business

There was no other business.

10. Date and time of the next meeting

Meeting dates for 2017/18 were agreed. The next meeting would take place on 25th September at 9.00am.

The meeting closed at 3.05pm.

Chair

Date