

# CITY OF YORK SCHOOLS FORUM

Minutes of the Schools Forum held on Monday 8<sup>th</sup> December 2014 at 12.30pm

## Attendance list:

### Members:

Tracey Ralph	Maintained Primary Headteacher and Chair
Cath Hindmarch	Maintained Primary Headteacher (also deputising for George Gilmore as Special School Representative)
Andy Herbert	Maintained Primary Headteacher
Caroline Hancy	Maintained Primary Headteacher
Bill Scriven	Maintained Secondary Headteacher (VA school)
Brian Crosby	Academies Representative
Ken McArthur	Early Years Sector Representative
Nicola Fox	Maintained Nursery Representative
Cath Norris	Pupil Referral Unit Representative (deputising for Tricia Head)

### In Attendance:

Cllr Looker	Cabinet Member, Children's Services
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### Observers / Advisors:

Richard Hartle	Head of Finance, City of York Council
Maxine Squire	Assistant Director, Education and Skills, City of York Council
Salli Radford	Coordinator and Clerk

## 1. Election of Chair

Maxine Squire welcomed everyone to the meeting. Maxine explained the membership regulations and that two maintained secondary headteachers were still to be appointed to the Forum.

The meeting considered whether to elect a chair or to defer this decision until full membership had been secured. It was agreed to elect a chair for the meeting.

Tracey Ralph was unanimously elected as chair for the meeting.

Proposed: Brian Crosby                      Seconded: Bill Scriven

## 2. Welcome and introductions

Taken under item 1.

## 3. Apologies for absence

Apologies were received, with consent, from Alison Birkinshaw – Further Education Representative, George Gilmore – Special School Representative and Karen Tatham – Maintained Primary Headteacher.

## 4. Minutes of the York Education Partnership meeting of 29<sup>th</sup> September 2014

Previously distributed.

The minutes of the meeting of 29<sup>th</sup> September 2014 were received. It was noted that these had been signed off at the meeting of the York Learning Partnership Interim Board on 21<sup>st</sup> November 2014.

## **5. Matters Arising**

There were no matters arising.

## **6. School staff early retirement costs – de-delegated contingency**

Previously distributed. Richard Hartle presented the proposals, advising of a context of reduced LA funding. Richard advised that schools were being given the opportunity to develop a contingency fund, with options and detail having been worked through following a request made at the last York Education Partnership meeting.

The meeting noted the costs of early retirement packages agreed since April 2013.

In response to a question regarding the extent of the reduction in costs being sought by the LA, Richard advised that the LA met redundancy costs for maintained schools but not academies and that this would only be agreed if the redundancy was unavoidable. Richard advised that the LA could no longer fund early retirement costs due to a lack of resources as there was no budget available to enable this beyond the LA's statutory requirements.

Richard advised of the option for schools to create a central contingency, with the LA acting as budget holder and assessor to enable allocation of funds.

In response to a question regarding the very costly voluntary redundancy packages for members of staff over the age of 55, Richard advised that these costs were included in the paper and that the LA would continue to fund the redundancy element in these cases where eligibility criteria were met. It was noted that early retirement funding arrangements were being altered rather than those covering redundancy costs.

In response to a question regarding the wide range of costs met since 2013, Richard advised that costs varied widely according to final salary and age on retirement. It was noted that there was no "typical" cost, though the average since April 2013 had been c£26,000, an increase on previous years.

In response to a question regarding the proposed de-delegation costs, Richard advised of the two options that had been modelled within the paper:

Option 1 – schools to be funded for eligible costs at 100% from a contingency

Option 2 – schools to be funded for eligible costs at 50% from a contingency

It was noted that the proposals were based on 100% of costs being estimated at £380,000 per year, a cost of c£20 per pupil.

The meeting discussed the options, noting that any shortfall in the contingency would need to be met by an increased de-delegation in the following year. It was suggested that headteachers currently accessed early voluntary retirement as a means to address budget and structural issues, with Richard advising that the LA would continue to consider severance costs against savings as part of their analysis and that a compromise might be agreed in some cases.

In response to a question regarding a third option not to create a contingency through de-delegation, Richard advised that this would become the default position once the LA changed its approach.

In response to a question regarding funding for early retirement due to ill health, Richard advised that these arrangements would not be affected and would continue to be funded.

In response to a question regarding the need for a proposed city-wide strategy, Maxine Squire advised that schools across the city were managing deficit budgets, restructuring staffing and seeking to support appropriate retirements and that the LA wished to enable schools to move forward when appropriate.

It was noted that the primary headteachers were inclined to agree that schools should meet their own costs, though it was reported verbally that in cluster meetings some secondary headteachers were less supportive of this view. It was suggested that a panel of headteachers be formed to consider funding requests should a contingency be formed.

The meeting further discussed options, with Richard advising that the number of early retirement arrangements had increased in recent years and that the LA was currently using discretion in making funding decisions.

In response to a question regarding the approaches being taken by other LAs within the region, Richard advised that the current picture was mixed, though most LAs were moving back toward statutory provision.

**The four maintained school members eligible to vote on this decision agreed not to establish a de-delegated contingency fund for 2015/16.**

## **7. 2015/16 Schools Budget**

Previously distributed. Richard Hartle apologised for late distribution of the paper, advising that information from the Education Funding Agency (EFA) was still awaited and was now expected to arrive on 15<sup>th</sup> December.

It was noted that Richard would consider the funding information once received and would bring greater detail to the next meeting. It was further noted that only minor variations were anticipated, and this may impact on high needs funding. The meeting noted that the EFA's deadline for the return of the LA's local funding proposals was 20<sup>th</sup> January 2015.

Richard advised that the LA was not proposing to change any funding rates unless more material changes were included in the detail to be received from the EFA. Richard advised that the recommendation was being made that the Schools Forum accept the budget proposals in principle to enable submission by the 20<sup>th</sup> January deadline, with the LA to be given discretion to vary per pupil formula funding rates up to a maximum of 1%. If, following receipt of the government funding announcement, any more material changes were required then there would need to be a further meeting of the forum prior to 20<sup>th</sup> January to obtain approval.

In response to a question regarding the costs of the LA servicing the Forum, a total of £42k, Maxine advised that this figure included staff time, including that of Richard and other senior officers, to discharge the duties held by the Forum.

In response to a question regarding the LA's ability to make limited contributions to "combined budgets supporting Every Child Matters objectives where there is a clear educational benefit", Richard advised that this detail was included in the paper as "contributions to combined budgets (School Improvement, Schools Causing Concern, Integrated Children's Centres, Broadband Contract, Local Fostering Programme, Safeguarding Advisor)" and totalled £1,966k. It was noted that these specific items had been previously approved for support by the Schools Forum.

In response to a question regarding this allocation being based on the current or proposed model for School Improvement support, Maxine advised that the funding would support both structures, as arrangements moved from a position of LA provision through its own staff to one of commissioning and quality assuring school improvement arrangements.

In response to a question regarding the reliance on the top-slicing of budgets to support the budget, Maxine advised that some of this funding was currently allocated to support cluster working and some to enable school-to-school support arrangements for school causing concern. Richard advised that funding remaining following the allocation of the DSG and funding for some centrally provided services would be distributed to schools via the Funding Formula or SEN allocations. Richard advised that schools would receive a direct or indirect benefit, providing examples and financial rationale to the meeting.

In response to a question regarding the proposed School Improvement model currently at consultation stage and the proposed savings this model would deliver, Maxine advised that the service was required to save £350,000 against the general fund. It was noted that LA savings could not be made against the DSG as this did not constitute LA funding.

In response to a question regarding the proposals for the Children's Centres across the city and the lack of awareness amongst headteachers of these proposals, Maxine advised that a model had been taken to Cabinet but that detail could not yet be shared. Maxine further advised that the results from the consultation indicated that there was currently no appetite to close the Children's Centres but that the number of LA posts would reduce and that this would require consideration of a number of different delivery models. It was noted that transformation work would take place in two stages:

- 1 – Savings would be made against the general fund
- 2 – Different delivery models would be developed on a case by case basis across the Children's Centres this would include discussions with schools

Maxine advised that there would be no city-wide model but that bespoke, community-linked models would be developed through consultation.

Cllr Looker advised that the LA would work with headteachers, especially where there was a Children's Centre on site, with the 2015/16 arrangements being a holding position which would not directly change outputs.

In response to a question regarding the possibility of the Schools Forum not approving development of the current proposals, Richard advised that, though the Schools Forum had the right to scrutinise and challenge the budget, the LA might, if necessary, exercise its right to appeal to the Secretary of State if this challenge was deemed unreasonable.

Maxine agreed to arrange drafting of a briefing paper on the responsibilities and powers of the Schools Forum.

The meeting further considered the budget proposals, with the Chair requesting that decisions relating to the Children's Centres and other issues be taken to the York Learning Partnership first to ensure that headteachers were aware of proposals. Maxine advised that the best possible models were being developed for the future.

In response to a question regarding the centrally retained budget for the termination of employment costs totalling £383,000, Richard advised that this included some long-standing reorganisational and restructuring costs following school mergers and closures. It was noted that these costs related to the legacy of the termination of contracts and that no new costs would become chargeable to this budget.

In response to a question regarding the context of these historical costs, Richard advised that individual arrangements had been made with staff and that these costs would reduce over time.

In response to a question regarding the lack of detail relating to the contributions to combined budgets totalling £1,966,000, Richard advised that the heading used was the formal legislative wording and that individual budget headings were detailed in the 6<sup>th</sup> bullet point at paragraph 9. It was also intended bring more detail on all of these central budgets to the Forum at future meetings.

In response to a question regarding the £400,000 SEN transport costs and the options available to reduce this, Richard advised that this represented only a small proportion of the overall SEN transport budget that was being charged to the DSG. It was noted that this fund was originally created to bring children back into the city from provision outside York. It was noted that the LA had requested that the School Forum fund these costs due to the significant overall saving generated by educating SEN pupils within the city.

Richard agreed to bring back proposals to scrutinise each element of the centrally retained budgets as part of the work plan for the Forum over the next 12 months.

**The Forum noted the budget report, agreeing to maintain the centrally retained budgets at the current levels for 2015/16.**

*Ken McArthur joined the meeting at 1.25pm.*

The meeting considered the LA's proposals for school formula funding. Richard requested that the Forum grant the LA discretion to make adjustments by varying the AWPU by a maximum of 1% up or down to allow for any variations in the DSG once this information was made available, without referral back to the Forum in January.

**The Forum agreed the LA's proposals for school formula funding.**

The meeting considered the LA's proposals for the early years single funding formula, with Ken McArthur advising that he supported this proposal. Ken advised that a national review of the DSG would have been helpful as York's funding allocation was comparatively low.

**The Forum agreed the LA's proposals for the early years single funding formula.**

## **8. Early Years Inclusion Fund**

Previously distributed. Richard Hartle presented the paper, advising that the proposals had been developed to include three funding options at the request of the York

Education Partnership. Richard advised that three funding options were now included for consideration, with each outlining different levels of funding and support from primary and secondary schools. Richard advised that Annex 1, previously distributed, illustrated the anticipated impact on schools and early years providers of the three options, based on 2014/15 pupil numbers.

The view was expressed by a primary headteacher that, whilst clusters appreciated the principles of the proposal to seek contributions across schools, the context of ever-tightening school budgets meant that primary schools were of the view that secondary schools should also contribute to this fund. It was noted that some clusters found the proposed contributions challenging.

The meeting considered the proposals, with Ken McArthur advising that option 1 would result in a reduction in core funding to Early Years providers of 1%, with this impacting further on children due to the already low base-rate.

The meeting noted the impact on children of the cuts being made to a number of services.

In response to a question regarding the view of the secondary headteachers, Bill Scriven advised that, though the levels of contribution were relatively low, they were being requested from schools already facing a budget deficit position and considering redundancies.

Richard advised that the base budget for the fund was £50,000, though this had been increased with one-off funding to £60,000 during 2014/15 and would be permanently increased to £100,000 for 2015/16 if any of the proposed options were approved.

Ken advised that early years providers had not requested the increase in funding but that this had been initiated by the LA's Early Years team. Ken advised that it appeared unfair to the early years sector to be treated differently to other sectors with regard to SEN funding. Richard advised that there was an equivalent SEN contingency for primary and secondary schools struggling to cope with SEN demands.

Cllr Looker advised that early years settings might begin to refuse to take SEN pupils if funding was reduced, with the benefits to primary and secondary schools of early inclusion being evident. Cllr Looker advised of the need to recognise the potentially negative long-term impact of a reduction.

The meeting discussed the options, with the Chair advising that current SEN management arrangements were not working as well as they might, with unreasonably late notification to primary headteachers of high need children starting school. It was suggested that it was also desirable to strengthen the partnerships between the Children's Centres and schools.

Maxine Squire advised of the work of the Portage teams to identify children requiring support at an early stage, further advising that the effective use of funding had helped to ensure that children accessed support at a very early stage.

Nicola Fox advised that St Paul's Nursery had 12 Enhanced Resource Provision places, with their being a waiting list for places. It was noted that the nursery worked with the community to provide the best possible support.

Maxine advised that improvements in healthcare and medicine generally and for children with complex medical needs meant that more children were surviving early childhood and moving into the education system than ever before.

**The Forum agreed to support implementation of option three, with funding to be allocated from early years, primary and secondary schools.**

## **9. Schools balances 2013/14**

Previously distributed. Richard Hartle presented the balances, advising that these were traditionally brought back to the Schools Forum for information and to note any claw back. Richard advised that there was no claw back required at the end of 2013/14 as schools were generally managing their reserves well in the more difficult financial climate and not retaining any significant levels of uncommitted general reserves.

In response to a question regarding the schools currently holding balances on behalf of their cluster and the reflection of this in the headline school balance, Richard advised that this was taken into account as these balances were removed prior to presenting the level of uncommitted general reserves and that it was the level of uncommitted general reserve that was used in any claw back calculation.

In response to a question regarding the variation between the upper and lower balance levels, Richard advised that there were sometimes anomalies as the figures for closing or merging schools could produce high deficits or surpluses at the point of closure or merger.

In response to a question regarding the reasons for the positions at the lower end of the scale, Richard advised that this was generally due to a trend of falling pupil rolls within some schools which made it increasingly difficult for these schools to move out of a deficit position if the fall was not recognised and acted upon promptly enough.

In response to a question regarding the variation in secondary school balances, Richard advised of the variance in staffing costs between some schools.

In response to a question regarding national comparators to the 5% and 8% permitted reserve threshold, Richard advised that the national comparators were for total reserves including committed reserves, whereas the permitted thresholds were for uncommitted general reserves only.

In response to a question regarding the impact on LA data of not including academies and how academy funding information was used in national comparators, Richard advised that academy data was not included in this exercise.

**The Forum noted the schools balances report.**

## **10. Any Other Business**

It was noted that governor representatives and the trade unions had requested to attend meetings as observers. It was noted that, as Schools Forum meetings were public meetings, there was no reason why they should not be invited to attend.

**11. Date and time of the next meeting**

15<sup>th</sup> January 2015 at 2.30pm should further consideration of the 2015/16 schools budget be necessary.

Next ordinary meeting to be agreed.

The meeting closed at 2.05pm.

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Tracey Ralph  
Chair

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Date