

SCHOOLS FORUM

DRAFT MINUTES OF THE SCHOOLS FORUM MEETING HELD ON 1 DECEMBER 2011 AT COMMITTEE ROOM III - COUNTY HALL, TROWBRIDGE.

Present:

Mr N Baker, Mr Peter Biggs, Mrs Julia Bird, Mr Andy Bridewell (Substitute), Mr P Cook (Substitute), Mrs C Grant, Mr J Hawkins, Mr M Keeling, Rev. A Kemp, Mr J Proctor, Mr M Watson and Mrs C Williamson

Also Present:

Mr Ted Hatala, Cllr Alan Macrae and Cllr Bill Moss

178. **Apologies**

Apologies were received from:

Mrs Rosheen Ryan, WGA, Secondary School Governor Representative

Mrs Ann Ferries, WGA, Primary School Governor Representative

Dr Tina Pagett, 13-19 Partnership

Mr Tim Gilson, Malmesbury, WASSH

Mrs Jane Franchi, Salisbury Dioceses

And also from;

Cllr Lionel Grundy

Carolyn Godfrey

179. **Minutes of the previous Meeting**

Resolved:

To approve and sign as a correct record the minutes of the meeting held on 13 October 2011, subject to the inclusion of Mr John Proctor under item no.162, Apologies, and the following amendment:

The final sentence of minute number 170 (School Revenue Balances) to read as follows: "It was pointed out that three schools had failed to assign their excess surplus balances in accordance with the Controls on Surplus Balances Scheme and would therefore be sent letters advising them that they would have the excess balance removed, subject to appeal."

Matters arising:

The Head of Finance, DCE, provided figures in relation to Health contributions to Independent Special School placements, as requested at the previous meeting (minute no.168 refers).

Total number of Independent Special School placements:	86
Total cost:	£6.157 million

of which:

Funded wholly by Dedicated Schools Grant	63
Funded by DSG & Social Care	14
Funded by DSG, Social Care and Health	9

The total cost of those 9 placements is £1.198 million, split as follows:

Cost to DSG (Independent Special School budget)	£484,510
Cost to Social Care	£468,448
Cost to Health	£244,545

180. **Declaration of Interests**

None.

181. **Chairman's Announcements**

Cllr Alan Macrae announced that following a re-structure of Portfolio Holders to be announced imminently there will no longer be a portfolio with the dedicated responsibility for Schools. A single portfolio holder will operate across all elements of the Children's Services and Education service area, under the direction of the Cabinet Member Lionel Grundy. Cllr Macrae took the opportunity to thank the Schools Forum for their engaging and welcoming attitude and wished the Forum well in its future work.

In reply the Chairman, on behalf of the Schools Forum thanked Cllr Macrae for his work on the Schools remit and for the positive impact he had made.

182. **Children and Young People's Trust Board Update**

Julia Cramp, Service Director Commissioning & Performance, DCE gave a verbal update on recent work undertaken by the Children and Young People's Trust Board Update.

- **11-19 Commissioning Strategy**

This Strategy had been approved by the Executive at Cabinet in September 2011, following comprehensive consultation across Wiltshire and across age ranges. Implementation will be overseen by the 13-19 Partnership. A highlight of the strategy is the establishment of Youth Advisory Groups in each Community Area.

- **Emotional Wellbeing and Mental Health Strategy**

A key point for Schools relating to this strategy were the new training being rolled-out across the County to on mental health – which bore the name of the ‘Mental Health First Aid Kit’ – indicative of its nature. All those involved with secondary schools in particular were urged to attend.

A second key development was the launch of guidelines on deliberate self-harm which all those present were urged to note.

- SEN and Disability Pathfinder

The Service Director for Commissioning and Performance, DCE emphasised her willingness to engage schools using WASSH and PHF as the vehicle for communication. She highlighted the possible impact of the government’s aspiration to expand the use of personal budgets for children with special education needs, disabilities and long-term health conditions – stressing that Schools will be key players in the process.

183. Budget Monitoring

The Head of Finance, DCE, Liz Williams outlined the budget position as it stood at the end of October. At this point in the year an underspend of £1.626 million is projected against the overall schools budget. Any underspend at year-end will be rolled forward into the next financial year.

Key pressures and potential areas of underspend are:

- a) Independent Special School Placements

This budget is currently projected to underspend by £0.955 million. This is based on all current and agreed placements. The underspend arises from reduced numbers of placements and the increased number of pupils catered for in Wiltshire Schools.

A further underspend of £0.373 million is projected against the budget for placements in other local authority schools, again based on all current and agreed placements. Changes to charging for special and mainstream placements to be agreed in December may affect this position.

- b) Other Targeted Services

Underspends within the EMAS and Traveller Education Service have arisen due to vacancies and due to the maximisation of the Standards Funds within the EMAS Team.

- c) Early Years Free Entitlement for 3 & 4 year olds

An underspend of £0.175 million is projected against the Early Years Single Funding Formula. This projection is updated termly based on the uptake of the free entitlement across settings.

- d) Premature Retirement Costs

The PRC budget is expected to overspend by £0.122 million based on redundancy cases up to 31st August. This overspend is expected to increase through the year.

- e) Personal Education Plans (Looked After Children)

It is projected that the budget for PEPs will overspend by £0.053 million.

It was confirmed that the £0.175m underspend against the Early Years Free Entitlement for 3 & 4 year olds was projected using a model which reflects each provider's summary statement. Officers replied that that the model does include weightings per the funding formula based on expected take up of places through the year.

Resolved:

To note the Budget monitoring position at the end of October 2012

184. **Reports from Working Groups**

a) School Funding Working Group

Officers provided an update on the issues debated by the group and their recommendations. It was explained that with effect from April 2011 the DfE removed the requirement for Local Authorities to have a Controls on Surplus Balances Scheme in place. However, Regulations allow Local Authorities to have a 'Controls on Surplus Balances Scheme' if they wish.

In response to a question it was confirmed that for maintained Schools, contingency funds were within the scope of the clawback as they were considered as part of the balance as a whole. For Academy schools different thresholds and rules applied. It was also confirmed that where funds were *devolved* to schools then clawback was not an issue, however *delegated* funds can form part of a clawback where schools exceed the permitted threshold.

Resolved:

That Schools Forum:

- a. **note the recommendation made by the Schools Funding Working Group to continue with a Controls on Surplus Balances Scheme in 2012/13.**
- b. **Agree to the clawback of excess revenue balances from the two schools who failed to submit an appeal.**

b) Early Years Reference Group

The Head of Business and Commercial Services, DCE reported that central Government was developing a new national code of practise for Early Years settings and was currently in a consultation phase.

A key point was the significant expansion of funding for placements for 2 year-olds with the expectation that the number of funded places will increase during 2012/13 until it becomes statutory provision in September 2013. Nationally the target is 40% of all children who meet free school meal eligibility criteria.

The Reference group and officers recognised that existing training and professional development schemes would need to be developed in anticipation of the free entitlement for (two) and three year olds, being implemented.

Resolved:

To note the update from the Early Years Reference Group

c) Schools Services Working Group

The Schools Forum received a verbal update on the topics considered by the Schools Services Working group which had met ahead of the meeting.

Regarding the supply pool insurance scheme, to be considered later in the agenda, the group considered the options and had put forward a recommendation to refund 100%.

It was explained that the group discussed proposals to review the “Right Choice for your School” document. The aim of the changes is to provide a single brochure to send to all Wiltshire Schools which will set out all the services available to various schools, which fall into the following three categories:

- Chargeable to maintained schools
- Chargeable to Academies
- Free to all schools (Centrally Funded)

It will also be advantageous to extend the flexibility that currently exists in contracts for academies (the ability to change / begin / terminate at any point in the year) to maintained schools.

Members of the forum queried at what level the demand for services would be below such a point that the ‘critical mass’ necessary for the local authority to provide services was not present. It was explained that this point would vary depending upon which service was being considered. Custom packages would be made available to Schools once the capacity to deliver these had been developed.

It was noted by the Chairman that the principles behind changes to schools services were flexibility and offering a menu of choices.

Resolved:

To note the verbal update provided

185. Early Years Single Funding Formula

The Head of Business and Commercial Services, DCE outlined his report.

The EYSFF was introduced in Wiltshire from 1 April 2010. The formula provided for childcare providers to receive a payment for the provision of free entitlement childcare based upon a sum for each hour delivered plus supplements (if applicable) for the inclusion of children from deprived homes and for settings located in rural areas

The reference group undertook a survey of the EYSFF in autumn 2010. On analysing the responses, the group noted that the formula had been in operation for only six months and considered that unless there was an overwhelming rationale for change the present arrangements should continue to avoid any potential confusion which could result from changes to arrangements which were only just beginning to be understood. The group agreed to

recommend that two detailed amendments be made to the scheme and these were approved by the Schools Forum at its meeting on 3 December 2010.

Members of the council's Early Years' Team, and members of the Early Years Reference Group have received many comments relating to the complexity of the EYSFF and difficulties providers have in calculating the income they will receive. Considerable work has been done to advise and support settings but many such comments continue to be received.

In light of this a consultation was launched, and results showed that 30% of providers were satisfied with the status quo, whilst the remaining 70% were split between options for change.

It was also noted that Childminders received a rate which seemed excessively high relative to the prices on the open market

The Government allowed local determination of the EYSSF model it was explained, and the recommendation of the Early Years Reference group was to move to a model with only one rate per type of provider. This proposition would have an adverse impact on smaller settings, but it was noted that the previous years' changes and the extension of free entitlement for two year olds would help cushion the impact of any negative change.

No inflationary assumptions were assumed in the model.

It was explained that the differential between the proposed hourly pay rates for maintained providers and PVI settings arose due to the obligation upon maintained schools to employ qualified teachers on national pay scales.

Regarding potential further changes to the EYSSF in 2013, officers expected no major changes other than further simplification, but a proposal for a 0.5% reduction across all DSG funded budgets would be considered later on the agenda for this meeting within the 2012/13 budget report.

The Head of Business and Commercial Services confirmed that there were no transitional arrangements in place for the arrangements proposed.

Resolved:

That as recommended by the Early Years Reference Group, the EYSFF be amended to provide for a single hourly rate for each type of provider irrespective of size and to reduce the payment to accredited childminders with the savings being reallocated to support the rate for private, voluntary and independent settings to offset the loss which smaller settings will suffer. Thus the basic hourly rate payment (at 2011-12 prices) will be as shown below:

Early Years Single Funding Formula – Basic Hourly Rates
(Supplements will apply as applicable)

no children	of	no. of hours per session of 12½ hours	Basic Hourly Rate 2011-12	Proposed Hourly Rate 2012-13
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Maintained Nursery Classes			
up to 26	up to 325	£4.10	£4.07
39	325.1 to 487.5	£3.96	£4.07
52	487.6 to 650	£3.89	£4.07
65	more than 650.1	£3.58	£4.07
Private, Voluntary and Independent Providers			
16	up to 200	£3.86	£3.71
24	200.1 to 300	£3.59	£3.71
32	300.1 to 400	£3.40	£3.71
40	400.1 to 500	£3.33	£3.71
48	500.1 to 600	£3.25	£3.71
56	600.1 to 700	£3.22	£3.71
64	700.1 to 800	£3.17	£3.71
72	more than 800.1	£3.16	£3.71
Childminders			
3	up to 37.5	£8.56	£6.50
6	37.6 to 75	£7.14	£6.50
9	more than 75.1	£6.67	£6.50

186. **Resource Base Formulae**

With the Chair's permission this and the following item were taken together.

187. **Special School Banding Moderation outcome**

The Manager for Inclusion, DCE presented the results of the banding moderation and planned places exercise for Special Schools, Enhanced Learning Provision (ELP) and Resource Bases. Revised formulae for Resource Bases for Hearing Impaired and Physically Impaired pupils were also tabled.

It was explained that after a number of years work, officers had developed a single clear and consistent system for various types of specialist educational provision.

Key figures for Enhanced Learning Provision were as follows:

- The total number of ELP 1 for 2012/13 is 253 (down from 2011/12 by 13 places)
- The total number of ELP 2 for 2012/13 is 88 (increase of 1 place from 2011/12)

Regarding planned places it was recommended for the overall number of planned places in all of Wiltshire special schools is increased by 1 place as below:

Springfields – increase by 1 place - from 69 to 70 places
Downland – no change – 69 places including 22 residential
Rowdeford – no change – 130 places including 23 residential
Larkrise – no change – 85 places
Exeter House – no change – 99 places
St Nicholas – no change -72 places

These developments gave rise to the following financial implications for both planned places and banding moderation:

1. Special schools place funding will increase by £0.100m in 2012/13
2. Residential funding will decrease by £0.018m.
3. Downlands transitional protection will reduce by £0.097m.
4. The overall special schools quantum for 2012/13 will therefore reduce by £0.015m compared to 2011/12.

2011/12 will be the first year that the full year effect of the formula changes for complex needs, ASD and S&L Resource Bases will apply. Formula changes for Hearing Impairment and Physical impairment Resource Bases have now been developed in line with the other resource bases would be applied from September 2012.

For Resource Bases – Complex Needs the banding moderation took place on 4 November 2011. Please note, the original protection of funding for each resource base according to their capacity numbers is due to end and from September 2012 numbers of places need to be agreed via the planned places process. At the time of the moderation 51% of all places were taken up.

Planned places - It is recommended that the overall number of planned places is reduced by 19. As a result of this reduction the overall occupancy level has increased to 79%.

It was reported that at the moderation and banding meetings some schools raised concerns about the level of funding generated through the current formula. The Local Authority and schools representatives agreed to re-consider the current formula. The outcomes of this work will be reported back to Schools Forum in the Autumn 2012.

Additionally it was explained that in view of significant capacity issues the Local Authority will investigate options for a change of the type of special educational needs for some of the resource bases.

Questions from members of the Forum focused on the longer-term viability and occupancy levels of the resource bases, and officers replied that work had reduced costs of the remaining resource bases to a minimum - the cost of a teacher plus fixed costs. Some were down to 4/5 places, which in the long term may not prove viable.

The meeting was reminded also that every single moderation exercise had an appeal mechanism in place for individual children. There was support for the process as fair overall from those in the room.

It was recognised by officers and members of the Forum that if the assumed Minimum Funding Guarantee (MFG) of -1.5% did not materialise, then the Schools Forum would have to revisit the transitional arrangement for Rowdeford school.

Thereafter members discussed the need for a further review of the number of resource bases and planned places, in light of the SEN Review in 2010 and the Cabinet decision which followed it.

In response to a question from a member of the forum, it was confirmed that increasing the number of Autistic Spectrum Disorder (ASD) places remained an

aim, but that there was a lack of room to expand in the existing centres and some difficult geographical issues to address before progress could be made. However the aim remained to more closely integrate Speech & Language provision and ASD provision.

The need to build a review of the change to the resource base formulas into any task group on the 2012-13 DSG was made clear by the Chair.

Resolved:

- 1. To approve the financial implications of the planned places and banding moderation process for specialist provision in 2012/13. The overall financial impact of £24,405 will be built in to the budget assumptions for 2012/13 in line with previous Schools Forum decisions relating to treatment of cost pressures arising from banding moderation.**
- 2. To approve the formula change for ASD Centres to increase the number of TA cover built in to the formula.**
- 3. To approve the revised formulae for Resource Bases for Hearing Impairment and Physical Impairment to bring the funding for these types of provision in line with other Resource Bases. The revised formulae will be implemented from September 2012.**
- 4. That from autumn 2012 the moderation process for all Communication and Interaction Resource Bases (ASD and S&L) be brought together in to a single process.**
- 5. A review process is to be set up to be invited to review the revised formula for resources bases, their operation and the number of places therein. This is to be included in the DSG funding task group (see minute no.188)**
- 6. The Task group on DfE funding changes should include a Special School representative.**

188. DSG Estimate 2012/13 & Schools Budget Proposals

The Head of Finance, DCE outlined the latest DSG estimate for the 2012/13 year based on the October 2011 pupil census and January 2011 numbers for 3 to 4 year olds.

It was explained that central government had confirmed that the current schools funding system would remain unchanged for the 2012/13 year, with comprehensive changes expected thereafter. The current methodology for LACSEG recoument and calculation of DSG and academy budgets was also expected to remain unchanged.

Officers highlighted that the projections were work-in-progress and were based on a number of assumptions in the absence of specific announcements.

A key assumption was that there will be no cash inflation for the GUF and that there will be a negative Minimum Funding Guarantee of -1.5%. It is therefore

assumed at this point that the GUF for 2012/13 is £4.592.87 per pupil. It was confirmed by officers that every pupil brought in the same amount of GUF (Guaranteed Unit of Funding).

A number of demographic and cost pressures were identified which can be found on the appendix 2 to the report – Summary of Potential cost pressures and potential savings.

In particular a need to work on the services provided through the DSG where LACSEG applies was needed to quantify the impact of the movement of many schools to Academy status.

The requirement for Independent Early Years Providers to have a Single Funding Formula would remain, with a different funding process in place for the 86 Special School placements currently being managed by the Council.

The Chairman highlighted the most salient point - a £1.9 million shortfall remained even if the savings identified in the paper were adopted.

It was clarified that in relation to recent government guidance on QES / Risk Assessments, Health and Safety legislation remained in place and control and security of school remained the local authority's responsibility.

Resolved:

- a. **To note the estimate of DSG for 2012/13 and the potential budget gap.**
- b. **That Schools Forum supports the potential options for savings identified in Appendix 2 and confirms they should be taken forward in to the detailed budget calculations.**
- c. **To note that Schools Forum must indicate any areas that should be considered for further savings at the January meeting.**
- d. **A Formula Review Task Group is established to lead the work on reviewing the Wiltshire Funding Formula in line with the proposals for a new funding system from April 2013. This will be set up as per the report, with the addition of representatives from Special Schools in Wiltshire in addition to Primary and Secondary Schools representatives nominated by PHF and WASSH.**
- e. **To note that officers will re-examine the census figures for Special schools to ensure their accuracy.**

189. **Controls on Surplus Balances Scheme**

The Schools Forum received a report by Phil Cooch, Schools Accounting & Budget Support Manager, which considered whether the Controls on Surplus Balances Scheme should continue in 2012-13.

Following the recommendation of the Schools Funding Working Group made at their meeting on 15th November 2011, and discussions earlier in the meeting (see minute no.184), it was;

Resolved:

That the Controls on Surplus Balances scheme continue for the 2012-13 year, as detailed in the report.

190. **Sickness Supply Pool Insurance Scheme**

The Schools Forum considered a paper by the Manager, School Accounting & Budgets. Following a short discussion it was,

Resolved:

- 1) That the Sickness Supply Pool is in a position to continue with previous enhancements
- 2) That 2012/13 Premiums should be offered at a 0% increase on 2011/12's prices.
- 3) That Cashback payments should continue.
- 4) That the basis of the cashback calculation, as set in the 2011/12 policy, be increased from 50% to 100% (option a as set out in the report).

191. **Schools Funding Regulations Consultation**

The Manager, Schools Accounting and Budgets outlined the limited changes to the School Financial Regulations which will be effective for the 2012-13 financial year only.

Regarding the transfer of the Pupil Premium for excluded pupils, clarification had been sought from the DfE to establish whether both the free meals and the service school elements (age-weighted pupil unit) move with the pupil. No response had been received at the time of the meeting.

Resolved:

The Schools Forum noted the changes to the School Financial Regulations 2012.

192. **Section 251 Benchmarking**

The meeting of the Schools Forum received details of the Section 251: Comparison of Local Authority Spending 2011/12.

Questions were received regarding the potential for savings in areas where Wiltshire was spending above the benchmark level. In particular the Schools Budget – SEN, and the level of spending on School improvement were highlighted as examples.

In response officers pointed out that expenditure on SEN retained centrally within DSG is now in line with the national average. Reductions in spending over the last few years are mostly as a result of reductions in spending on external placements and increased delegation of SEN funding to mainstream schools.

By contrast school improvement is a key part of the Council's business plan and thus will remain an area where Wiltshire Council's spending benchmarks above its statistical neighbours.

The members of the schools forum took the opportunity to congratulate the DCE Finance team for their hard work.

Resolved:

- 1) To note the Section 251 Benchmarking paper.
- 2) To bring the Section 251 Benchmarking paper to the next meeting to consider further alongside any proposals for savings.

193. **Confirmation of dates for future meetings**

The Forum confirmed the dates of future meetings as listed on the Agenda.

194. **Urgent Items**

None.

(Duration of meeting: 1.30 - 4.00 pm)

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