

Slough Schools Forum- Meeting held on Wednesday, 7th May, 2014

- Present:** Maggie Waller, Holy Family Primary School (Chair)
John Constable, Langley Grammar (Vice-Chair)
Maggie Stacey, St Anthony's RC Primary School
Louise Lund, Barney Bees Day Nursery
Debbie Richards, Arbour Vale School
John Constable, Langley Grammar (Vice-Chair)
Paul McAteer, Slough and Eton C of E Business and Enterprise College
Jo Rockall, Herschel Grammar School
Jean Cameron, Slough Children's Centres
Nicky Willis, Cippenham Primary School
Navroop Mehat, Wexham Court Primary School
Hardip Singh, Khalsa Primary School
- Observers:** Lynda Bussley, NUT (Observer)
- Attendees:** Helen Huntley, Haybrook College, Angela Mellish, Northampton Diocese, Ciran Stapleton (St Joseph's)
- Cambridge Education;** Robin Crofts, Cambridge Education
- Officers:** Ruth Bagley, Joseph Holmes, Atul Lad, Coral Miller and Rajpreet Johal (Clerk)
- Apologies:** Jane Wood, Julie O'Brien, Jon Reekie, Philip Gregory, Mary Sparrow and Virginia Barrett

PART I

323. Apologies

Apologies noted from Virginia Barrett, Philip Gregory, Jane Wood and Mary Sparrow.

Maggie Waller welcomed Ruth Bagley (Chief Executive, Slough Borough Council), Joseph Holmes (Assistant Director Finance & Audit, Slough Borough Council), Ciran Stapleton (Head Teacher, St Joseph's) and Coral Miller (Support Officer, Schools Finance).

324. Declarations of Interest

None

325. Minutes of Previous Meeting and Matters Arising

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Maggie Waller reported a letter was sent to the DfE to raise concerns on the impact of no funding being provided to support permanent expansions. Maggie noted a call and draft response had been received from Dugald Sandeman (DfE) who advised the DfE understand the issues however are not minded to move from the lag funding. A copy of the final DfE letter will be circulated with the minutes.

Ruth Bagley reported that about 20 LAs are impacted similarly adversely and could pursue a joint approach.

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St Joseph's have confirmed that there are plans for use of balances with approval from the Governing Body.

Robin Crofts reported the Cambridge Education Service Level Agreements went out at the end of last term. Update to be provided at the next Schools Forum.

2014-15 Budget Process Update:

John Constable and Paul McAteer reported that 14/15 budgets are lower than modelled figures suggested when recommendations were made regarding the primary / secondary ratio with reductions of, for example, £140,000. The Task and Finish group has asked for additional data for budgets over the last 3 years and a clear comparison between the modelled figures and the final 2014/15 budgets across all schools. The assumptions made about the impact of the change to basing secondary low attainment on English or Maths also appear to be flawed and need looking at.

Paul McAteer to check minutes of meeting with Jackie Wright in reference to resource base place figures.

At last meeting Maggie Stacey asked what data is used for primary lower attainment. Atul Lad provided an explanatory paper which was attached in the meeting reports pack.

Growth Fund Outturn – Item is on the agenda for the July Schools Forum meeting. The Task and Finish group will continue to look at this. Local Authority is looking at capital. Nicky Willis asked if there is any flexibility with the 2013-14 capital. Robin Crofts agreed to follow up and suggested that the schools affected should raise this with the School Organisation Group (SOG).

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Membership - Maggie Waller noted there has been a disappointing response from Academies with regard to membership. Those academies that did respond agreed unanimously that Helen Huntley should take up the vacant position. Helen therefore resumes membership as an academy representative.

In addition, those academies that responded agreed unanimously that Jo Rockall, John Constable and Paul McAteer be asked if they are willing to serve a further term of office when theirs end in the summer. They will be asked formally if they wish to do so.

Rajpreet Johal wrote to governors of secondary maintained schools on behalf of the Chair seeking nominations for a maintained school governor representative and no

responses were received. This will now go to SASH to find a maintained school member.

Maggie Waller confirmed a joint (LA / Schools Forum) response to the Fair Funding Consultation did go to DfE. Maggie has also received a response on this from the NUT. A copy of the response will be circulated with minutes.

326. PFI

Ruth Bagley presented paper to the Schools Forum on PFI Funding.

3 recommendations were put to the Schools Forum as follows:

- The Forum expresses a view on how the immediate payment of the reserve of £500k should be distributed whether on the basis of the formula or in some other way.
- The Forum agrees to support a review of the overall PFI charge.
- The Forum participates in a consultation on the redistribution of the PFI funding gap to achieve a significant reduction to the figure of £810k on a phased basis.

Maggie Waller welcomed the return of the 13/14 funding to the DSG and suggested that it should be distributed to all schools through the formula as the funding for all schools for 14/15 had been top sliced.

Maggie Stacey suggested that it be used to fund retrospective funding for the Growth Fund in 13/14. Jo Rockall noted that all schools have been top sliced already to provide £1.2 million to the 14/15 Growth Fund.

Helen Huntley asked about special schools and the PRUs if the money went out to all schools via the 5 – 16 formula and it was clarified that the Council's funding for PFI (£300k approx.) is already in the High Needs Block and the £500k is separate.

1st Recommendation:

Forum agreed to vote on the first recommendation above.

- 8 members of the Forum in favour of the 500k being returned through the formula.
- 2 members of the Forum in favour of going through the Growth Fund for 13/14.

The decision was therefore to distribute the £500k to all schools via the 5 – 16 formula.

2nd Recommendation:

It was noted that the total cost of the PFI charge is £2.3m with contributions from the DfE, the 3 PFI schools, the DSG (savings on out borough placements) and the Council's agreement to closing the affordability gap with approximately £800k.

Ruth Bagley noted that there is pressure from Treasury to review PFI contracts and therefore there is government support. She also referred to renegotiations of

contracts by other LAs and Jo Rockall asked how successful these had been. This was not known.

Schools Forum supported the recommendation that the Council review the contract with the PFI contractor with a view to renegotiating and reducing the overall cost. It was noted that this would need the engagement of the 3 PFI schools. Debbie Richards and Kathleen Higgins noted the need to be cautious about expectations.

Page 10 of the Schools Forum report pack refers to an original business case. Paul McAteer asked if this was available. Ruth Bagley reported that the Final Business Case had not been located in the Council as yet but would be sought out.

Ruth Bagley referred to the SBC Contracts Manager who would progress this. It was agreed that an initial look at the contract would be done before the next meeting of the Forum in July and a report brought back at that time with options.

3rd Recommendation

This recommendation asks the Forum to participate in a consultation on the redistribution of the PFI funding gap.

The Forum agreed to discuss this again when a further report would come back to the July meeting with modelling included.

Kathleen Higgins asked whose decision it would be regarding any reduction in the Council's PFI contribution. Ruth Bagley indicated that this would be a Cabinet Decision. It was also noted, however, that any decision to take on any further liability within the DSG would be a Schools Forum decision.

327. Schools Forum Operational and Decision Making Framework

Ruth Bagley presented a report on the functioning of the Schools Forum which included a flow chart regarding the operational process and tables setting out the roles and responsibilities of the Schools Forum.

Appendix A shows the roles and responsibilities and Appendix B is the latest version for 2014/15.

Schools Forum noted the process and Maggie Waller agreed to update the Schools Forum Constitution to include the relevant appendices. The Constitution will then be circulated.

328. Cambridge Education

Robin Crofts provided a verbal update:

Further to the review that was undertaken, a stakeholder day has taken place. The review findings will be taken to the Cambridge Education/Local Authority Strategic Partnership Group on 15th May to seek endorsement of the recommendations emerging from the review process. It is hoped to implement recommendations for September 2014.

Robin reported the Local Authority has indicated there may be some issues which need to go to Cabinet.

Cambridge Education is looking to develop traded services.

329. Academies Update

Robin Crofts provided a verbal update:

Parlaunt Park has applied for academy status which has been agreed by government and is sponsored by Langley Academy and is likely to take effect on 1st July 2014.

Nicky Willis reported the Business Manager for Cippenham Schools Trust had attended the recent Academies Show where there were discussions about the impact of Multi Academy Trusts and the possibility that this could lead to more than one member of a Trust on the Schools Forum.

Forum membership was discussed and Robin Crofts agreed to look at Portsmouth set up where this may have had an impact already.

330. 2014 - 15 Work Programme and Key Decisions Log

Noted

331. Any Other Business

July Schools Forum meeting time to be extended to 10.30 as there is a longer agenda.

332. Supplementary Papers



Department
for Education

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Ms Maggie Walker
105 Montagu Road
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Berkshire
SL3 9DX

8 May 2014

Dear Ms Walker,

Thank you for your letter of 7 April addressed to Dugald Sandeman, raising concerns about growth funding for Slough. Your letter was passed to the Funding Policy Unit in the Department for Education for a reply because we are responsible for this policy.

Funding for schools is calculated on the basis of pupil numbers from the previous year for a number of reasons. First, it enables local authorities to set firm budgets before the year starts, which helps schools' and local authorities' financial planning. Experience shows that forecasting pupil numbers at a local authority level can be unreliable, so this does not provide us with a sound basis for allocating funding, and it does not provide the same level of stability as funding based on lagged numbers.

Second, the cost of additional pupils does not tend to increase at the same rate. For example, if a school has a class of 25 pupils and then an additional 3 pupils join, the school would not necessarily need 3 times the basic unit of funding in the first year (as all the fixed costs have already been met). The same principle applies when pupil numbers fall, costs don't go down straight away and so schools need some time to plan for reduced budgets. Our current funding system gives schools this time.

I appreciate that you are concerned about the rapid growth in pupils numbers in Slough and the impact this has had on funding for the area. However pupil numbers are growing nationally, across most local authorities. Holding back some of the national schools budget to distribute to local authorities as a growth fund would therefore make little difference to most local authorities total funding.

Given this and the difficulties I have explained with making reliable estimates, we believe that a locally administered growth fund is the best solution. Local authorities are familiar with this approach and should be building it into their local planning and forecasting. We have no plans to adjust the mechanism by which we allocate DSG to local authorities by

introducing a factor which estimates pupil number growth.

In the medium to long term, however, we expect local authorities to factor these costs into their budgets and agree any extra funding for new schools with the local Schools Forum. A fairer distribution of funding to local authorities in 2015-16 should make this easier.

Although the DSG is ring-fenced, there are other sources of income which can be used to cover the additional costs of new schools. For example, if there is a growth in new homes and businesses in the area, you may want to consider using the extra income from Council Tax to subsidise the initial start-up costs as an alternative to asking existing schools to reduce their per-pupil funding.

I do hope that you find this reply helpful.

Yours sincerely,



Rafiq Hussein
Education Funding Group: Funding Policy Unit



INTRODUCTION

1. This document sets out the response of the National Union of Teachers (NUT) to the DfE consultation “Fairer schools funding in 2015-16.”
2. The postponement of the National Funding Formula could have been an opportunity to undertake a comprehensive analysis of the full range of school needs in order to develop a funding system that could truly meet the needs of teaching and learning. Instead the consultation seeks to steer responses to a narrow set of questions that will unfortunately, the NUT believes, inappropriately restrict responses. We are also concerned that issues of great significance to schools in funding terms have not been included for consideration in this latest consultation. For example the Treasury announcement that increased cost pressures for employers of teachers in the form of higher employer pension contributions and NI contributions resulting from the abolition of the contracted out rebate will not be reimbursed through additional funding.
3. In addition, some of the consultation questions are particular to local authority finance departments and are not possible for other consultees to answer in detail. We therefore present our comments under general headings based on the main areas covered by the consultation document.

KEY CONSULTATION ISSUES

Distribution of funding (consultation question 1)

4. The consultation document states that there is widespread recognition that the current school funding system is unfair and out of date. The proposed solution – simplification of funding arrangements, with an even greater focus on pupil-led factors as opposed to other relevant factors such as premises and staffing costs – will not make funding “fairer.”
5. The NUT view is that the funding system has never fully reflected the needs of schools. We do not seek to defend the existing funding system, but to change it so that it meets the needs of schools. This requires a much more fundamental review than the narrow approach set out in the DfE consultation document.
6. To enable an informed discussion of school funding, we need an open discussion of what we expect our schools to deliver. That means a detailed examination of the full range of cost factors relevant to schools. Conditions of learning are essential to the success of our education system, so we need to address issue such as class size, non-contact time and teacher pay.
7. We know that schools are already experiencing funding turbulence and that the new simpler local formula imposed by the DfE is unable to identify the full range of school

needs. This shows that simplification in itself is not the answer; changes to the funding system made on the basis of the current inadequate level of resources don't make funding "fairer" – they simply shift funding problems around the school system.

Minimum funding levels (consultation questions 2 and 3)

8. The consultation document confirms that, prior to the allocation of the "additional" £350 million, local authorities will be funded at the same cash level per pupil in 2015-16 as in 2014-15 – continuing the overall real terms cuts in school funding.

9. The consultation sets out the allocated minimum funding levels for the seven proposed factors – but this does nothing to inform the discussion on the extent to which the full range of schools' needs will be met by the new system. The lack of such analysis in the consultation document makes it extremely difficult to engage meaningfully with the consultation questions.

10. Local discretion on the amount of factors that can be used in allocating funding is essential to ensure that the needs of schools are met. The innate complexity of school funding must be taken fully into consideration – the simplification approach adopted by the DfE has simply resulted in appropriate local need factors not being taken into account.

11. Annex B of the consultation document sets out indicative changes in 2015-16 for the 62 local authorities that would receive additional funding based on assumed pupil number data. This data should not be used to bolster the Government's claims that it has protected school funding. It is clear that some local authorities and schools will see an increase in their funding levels but without a full needs-led approach schools' funding requirements are unlikely to be entirely met. The real terms reductions in school funding mean that any schools that gain will be more than matched by schools that lose.

12. Instead of asking respondents if they agree with the DfE's proposed choice of characteristics to which to attach minimum funding levels, the DfE should instead be undertaking a comprehensive analysis of the full range of school needs including support for the conditions of learning such as teacher pay and conditions. In order to comment on the proposed per pupil amounts for indicative funding levels there would need to be some contextual information to accompany the consultation questions, such as the impact on distribution between local authorities and between schools in the same authority.

Labour market costs

13. The NUT's position on a needs-led approach to funding applies equally to the labour market costs issue. The significant additional labour market costs faced by schools in the London and

Fringe area must be reflected fully in the school funding system, without being restricted by the overall cost envelope.

Sparsity review

14. The DfE should take note of any examples consultees provide of problems experienced locally in the funding of small schools serving sparsely populated areas. The NUT view is that local authorities are best placed to decide locally, in consultation with schools, on criteria for the sparsity factor including the possible use of average numbers in each year group.

15. The DfE recognised in its review of 2013-14 arrangements that the sparsity factor will not address the needs of small schools that are not in rural areas. The limited lump sum amounts are likely to cause problems for small schools in rural and non-rural areas. Small schools in non-rural areas also need to be properly resourced. The full analysis of school needs to which we refer above applies equally to sparsity issues.

(Note: The Meeting opened at 8.15 am and closed at 9.25 am)