

**SCHOOLS FORUM
NOTES OF THE MEETING HELD ON
WEDNESDAY 14 SEPTEMBER 2016
THE TESTHUB, COMPASS SCHOOL,
GREEN LANE, SOUTHAMPTON SO16 9FQ**

Present:

<u>Primary School Representatives</u>	
Richard Harris	Moorlands Primary Governor
Amanda Talbot -Jones	St. Denys Primary School
John Draper	Swaythling Primary School
Mark Sheehan	Mansbridge Primary School
<u>Secondary School Representatives</u>	
Jonty Archibald	Regents Park Community College
Anne Murphy	St. Anne's Catholic School
<u>Special Schools Representatives</u>	
Colin Grant	The Cedar School
Andy Evans	Great Oak School
<u>Academy Representatives</u>	
David Turner	Townhill Infant School
Sean Preston	Hamwic Trust
<u>Pupil Referral Unit Representative</u>	
Alison Parsons	PRU/Compass
<u>Non Schools Representative</u>	
Chris Ode	NASUWT
Anna Wright	PVI Provider
<u>Observers</u>	
Anne Downie	Early Years
Ivan White	The Polygon School
<u>Also in attendance:</u>	
Jo Cassey	Service Lead for Yearly Years and Education
Irfan Khan	SCC Principal Accountant
Alan Denford	SCC Finance
David Townsend	Head of School Effectiveness (Interim)
Nigel Mullan	Capita Assets

1. **ELECTION OF FORUM CHAIR AND VICE CHAIR**

The Forum Chair and Vice Chair were thanked for their work There were no nominations received in advance. Richard Harris was nominated seconded and elected. David Turner was nominated, seconded and elected

2. **APOLOGIES AND CHANGES IN MEMBERSHIP (IF ANY)**

The Forum noted the apologies of Toni Sambrook, Peter Howard, Julie Swanton, Jeff Williams, Sue Thompson, and Martin Brown.

3. **NOTES OF PREVIOUS MEETING AND MATTERS ARISING**

The Minutes of the Meetings held on 22 of June 2016 were approved as a correct record.

4. **DECLARATION OF INTEREST**

The Forum Chair requested signed declarations from School Forum Members.

5. **REGISTER OF INTEREST**

Members completed a Register of Interests form as per paragraph 47 of the Terms of Reference.

6. **REVIEW OF TERMS OF REFERENCE, INCLUDING MEMBERSHIP OF THE FORUM**

The Forum Chair explained the distinction between the Forum's decision making and advisory functions and underlined the importance of filling vacancies.

It was agreed that all papers for decision making will be shared with governors.

To note that dates, post names need updating on Constitution.

School Forum Members are representative of their phase, Forum is for general principles to be discussed rather than the situation of specific schools. It was requested that papers were to be published earlier.

7. **EDUCATION AND YEARLY YEARS CAPITAL PROGRAMME
(VERBAL UPDATE)**

The Forum received a verbal update from Nigel Mullan, Property Business and Account Manager. Nigel is responsible for the delivery of the local authority capital programme. The aim is to deliver efficiencies in a 5 year programmes, rather than as previously in 18-24 month time scales. There has been work on new bids and one of the priorities for this year is the implementation of the secondary schools expansion strategy. The Forum Chair proposed this should be a standing item on the agenda during the period the programme is being delivered. The Capita element of contract is due to end and be moved to an in-house service provision. The Chair requested the date of transfer which was subsequently confirmed as 3 January 2017.

8. **PROPOSALS FOR CHANGES IN SURPLUS AND DEFICIT POLICIES**

The Forum received a paper from the Principal Accountant (PA) regarding proposals for changes in surplus and deficit policies. He stated that discussion on this theme had already taken place at school forum and various other forum e.g. Primary Heads Conference, Special Heads Conference, Secondary Heads and at individual meetings with various schools. Following detailed discussion around deficits in June meeting, the School Forum requested that the proposals be brought back to the meeting for further consideration and approval.

PA explained this paper include proposals for Schools Forum approval. PA explained the revised policy on surplus. Limitations are 8% for primary & special and 5% for secondary, anything over these limits is a surplus/excess budget. PA also stressed that to date, SCC has not exercised the right to reclaim any uncommitted excess budgets. The proposal is for limitations to stay the same and to set up criteria for circumstances where surplus can be agreed. A new Balance Control Mechanism is introduced for schools carrying forward surplus and a split between allowable surplus and that exceeding it. Allowable surplus can be retained by the school if evidence against the set criteria is submitted and signed off.

Schools Forum agreed in June to suspend the previous policy allowing deficit budget to be set at £150K. A new step-by-step process has been outlined for schools to follow. Schools cannot plan for a year end deficit budget when submitting budget plans at the start of the year. School that submit deficit plans will be required to resubmit their budget with plans to bring the budget back into balance within a maximum period of 3 years. The authority will intervene if a school refused to set a balanced budget by identifying the action a school could take and ultimately by suspending delegation.

Once deficit position is established internally, the school is expected to prepare all necessary documentation including management actions that the school has taken prior to notifying the LA. The Deficit Recovery Plan

is a 3 years plan, except for those balanced budget secured. There are difficult discussions/decisions that may be required. Schools need to explore national funding sources and only when all avenues have been exhausted will a deficit be converted to loan.

The previous loan system prior criteria has been suspended. There shouldn't be an automatic deficit transferred to loan and all cases will be revised and analysed on a case by case basis before converting any deficit to loan. JC will need to sign off initial submission for loan to the Service Director Finance & Commercialisation.

If schools are to be converted to Academies they will need include a paragraph underlining that the loan will be a legal document (liability) and this will form part of CTA.

Notice of Concern – SCC had not historically used these before but if the LA is concerned that a schools is failing to comply with the scheme, a note of concern will be issued.

JC confirmed that LA is committed to policy revision. Governing Bodies will need to know timescales. The surplus / deficit budget situation needs to be addressed since the situation across some city schools is urgent. At the last meeting a strategy was agreed, however the strategy needs to be considered as a whole (surplus, deficit, loans) and to have a policy on each. There must be an ongoing dialogue and a support role visiting all schools. Financial support is to be given to schools (SCC if they bought back Finance Service or their own finance support if they didn't buy back) and each school has an assigned School Improvement Officer. Forum debated the scrutiny around Academy finances and JC explained that due to statutory limits academy finances are not within LA control however all academies finances are audited annually and their accounts can be accessed through Company House website. In the school monitoring visit the SIO will look at budgets under financial management. OFSTED requirement is that budget matches school improvement plan. Schools need to avoid spending known surplus and must not plan on a deficit budget. The loan will only be the last resort once.

There was an issue raised around training and a SP, member of EFA Steering Group, offered to feedback information.

Clarification – When schools convert there must be financial due diligence undertaken, deficits, surplus, assets all will be reviewed.

JC reinforced that restructures should be fully explored before an application for a loan would be considered. The policy will be reviewed after one year; Information would be shared at the next Governor Forum.

Policy duly approved with 7 votes for, zero against and 1 abstention (maintained schools representatives received a vote, academy

representatives were not eligible to vote).

9. **UPDATE ON NEW NATIONAL FUNDING FORMULA FOR SCHOOLS**

Schools and High Needs Blocks -DfE is proposing the phased introduction of a new national funding formula from 2018-19; originally, the intention was to introduce the formula from 2017-18.

DfE has confirmed the following:

- In 2017 to 2018 no local authority will see a reduction from their 2016 to 2017 funding (adjusted to reflect authorities' most recent spending patterns) on the schools block of the dedicated schools grant (per pupil funding) or the high needs block (cash amount)
- Local authorities' "schools block" funding, the money that they passport to schools, will be protected in per-pupil terms in 2017-18
- Local authorities' "high needs block" funding, which funds support for SEN pupils and others with additional needs, will be protected in cash terms in 2017-18
- Councils' final allocations for both of these funding pots will be published in December 2016, and will be based on pupil numbers recorded in the October census
- For 2017 to 2018, DfE will retain the current minimum funding guarantee for schools, so that no school can face a funding reduction of more than 1.5% per pupil next year in what it receives through the local authority funding formula
- The following proposals outlined in stage 1 consultation will not proceed from 2017/18.
 - create a new central schools block
 - allow local flexibility on the minimum funding guarantee
 - ring fence the schools block within the dedicated schools grant.

These will be covered in DfE response to the first stage consultation in the autumn for 2018 to 2019 and beyond.

Early Years Consultation - DfE also launched a six-week early years national funding formula consultation to deliver a 'fairer funding system' for 3 and 4 year olds receiving the 30 hour free childcare in August 2016.

The consultation looks to introduce a new national funding formula, outlining changes to the way local authorities fund early years providers in their area and how children with special educational needs or disabilities receive the extra funding they need.

The deadline for responding to the consultation was 22nd September 2016. All members were encouraged to respond. All links to consultation

were already shared with schools and EY providers.

The schools Forum Chair was happy to respond on specific point of viability risk.

Next meeting 19 OCT

JC request that for the review of High Needs Block to go on the next meeting agenda.