**DERBYSHIRE COUNTY COUNCIL**

**DERBYSHIRE SCHOOLS FORUM**

**Minutes of the Meeting Held on 5th October 2017**

**At 6.00 pm Committee Room 1, County Hall**

**Present**

Barbara Arrandale, David Beaumont, Linda Du-Roe, Shirley Harvey, Liz Moorsom, Jen Clarke, Sue Kennedy, Gill Hutton, Martin Brader, Kam Grewal-Joy, Tracey Burnside, Pauline Wensley, Julien Scholefield, Lisa Key, Andrew Critchlow, Steve Edmonds, David Baker, Karen Hudson, David Channon, Deborah Turner, Chris Wayment

**Substitutes**

Alan Thomas, Andrew Wild, Joy Williams

**Observers**

Councillor Dale

**Officers/Others**

Chris Allcock, Mary Murkin, Ruth Lane, Karen Gurney, Amanda Gordon

**Apologies**

Stephanie Marbrow, Angela Stanton, Andrew Large, Chris Anderson, David Plummer

**17/27 Election of Chair and Vice Chair**

Chris Allcock reported that the only nominations received had been from Martin Brader and Linda Du-Roe. In accordance with the Forum’s Constitution, Martin and Linda were confirmed as Chair and Vice Chair.

**17/28 Membership changes – oral update**

Chris Allcock updated the Forum regarding the new members;

David Baker - Academy Representative – The Pingle Academy

Steve Edmonds – Academy Representative – Brookfield Community School

Jen Clarke – Primary School Headteacher – Ripley Junior School

Monica White – Staff Associations – Association of Teachers and Lecturers

Brain Allsopp – Non School Substitute – NAHT

Steve Sherratt – Non School Substitute – Unison

Chris Anderson – Parent Partnership – DIASS

**17/29 Apologies for Absence**

Apologies were given as noted above. It was confirmed that the two primary substitute members could vote if required and Chris confirmed that the meeting was quorate.

**17/30 Minutes of the meeting held on 22nd June 2017**

Matters of accuracy

Councillor Dale wished it to be noted that he did give his apologies.

Matters arising

Page 2. Barbara Arrandale asked how much of Apprenticeship Levy funding schools had applied for. Chris Allcock replied that he did not know but could consult colleagues and it was agreed that he would circulate a reply to Forum members.

**17/31 School funding update**

Chris Allcock presented the paper to update the Schools Forum on recent announcements in relation to the school funding framework.

Chris highlighted that, although the Secretary of State had announced that the National Funding Formula (NFF) would provide funding to allow a 0.5% a year per pupil cash increase for every school, the actual increases for schools next year would be determined by the final formula changes. The LA proposes a local consultation within Derbyshire, hopefully to be launched in the next few weeks.

The Chair asked members if anyone was aware through press coverage where the extra £1.3 billion for schools was coming from, would it simply be deducted from other areas of school budgets. Tracey Burnside replied that she thought some was coming from the Free Schools budget.

Chris Wayment asked was the £1.1m Growth Fund taken from the Schools Block (SB). Chris Allcock replied that this was the case, should the LA seek to increase this amount the amount available to delegate to schools would be reduced. Any increase would require Schools Forum approval.

Chris Wayment asked if extra money will be required in future years for the pre and post-opening costs for new schools. Chris confirmed that this was likely as new schools would be opening in the next few years.

The Chair asked how this would work once a hard NFF was introduced. Chris replied that the details for 2020-21 are unclear but suggested that a Growth Fund could still be top-sliced from the NFF, if the DfE agreed.

Chris Wayment asked that if the Schools Forum agreed to increase the Growth Fund, could we ask for more money for Schools Block from the DfE. Chris Allcock replied that we could ask but was very doubtful that we’d get any extra funding.

The Forum agreed the report’s recommendations.

**17/32 Mainstream Schools National Funding Formula**

Chris Allcock presented the paper to provide further information to the Schools Forum on the government’s National Funding Formula for mainstream schools. He confirmed that the structure of the formula is as previously proposed, the main changes being the minimum per-pupil level of basic funding and the increases to some of the NFF multipliers. Appendix 1 provided details of the original and final NFF multipliers together with the comparative figures for Derbyshire.

Liz Moorsom asked if the sparsity factor was still included and if so will the DfE accept appeals from individual schools regarding the issues with ‘as the crow flies’ measurement compared with the ‘by the road’ distance which can be a particular issue in Derbyshire.

Chris Allcock confirmed that the sparsity factor is still included but he would need to check the technical guidance regarding the potential for any appeals. Mary Murkin added that from the original information received from the DfE the sparsity factor only currently applies to 13 primary and 3 secondary schools in Derbyshire.

Chris Allcock said that LAs have two years in which they can continue to use their own local funding formula and the DfE is encouraging LAs to use this time to move towards the NFF. The technical guidance notes only arrived last week and it will take further time to digest fully all of the information and distil the key implications.

Previously it had been expected that the DfE would work out the 2018–19 allocations based on the NFF to, in effect, determine the Schools Block quantum at LA level. However, the guidance clarifies that the LA would decide on the formula allocation to its schools in 2018-19, the quantum having been calculated by reference to overall 2017-18 NFF allocations updated for changes in the total number of pupils in each sector. An additional paper was presented to the meeting to clarify this further, together with the potential impact of making various changes to the LA’s formula and/or multipliers, using the primary sector as an example.

A lengthy discussion then took place.

David Beaumont asked how inflation had been taken into account in the calculation. The answer was there isn’t anything specifically in the calculations for inflation, the only increase being where individual school 2017-18 NFF allocations are less than 0.5% above current baseline budgets. David then asked if the Dedicated Schools Grant (DSG) reserves would be used to support small schools. Chris replied that at the end of 2016–17 the uncommitted DSG reserves totalled approximately £3m, a very low level when compared with a School Block budget of £400m, a High Needs Block budget of £70m and an Early Years Block budget of £30m.

David Channon asked how does the number of schools in Derbyshire effect the Primary Unit Funding (PUF) and Secondary Unit Funding (SUF). Chris Allcock replied that the number of schools was included in the total funding by way of the lump sum.

Liz Moorsom concluded that the new minimum amount of funding per pupil figure wouldn’t affect most schools in Derbyshire due to the relatively small size of most schools. Karen Gurney confirmed that based on overall budgets only the two largest primary schools were affected.

The question of the cost of rates in schools was raised and how money was just being recycled within the LA. Chris clarified that the cost of schools’ rates bills have to be charged against the DSG, with the monies ultimately being used to support council services. Whilst it could be argued that the funding is going around in a circle, councils and schools have no discretion in this area, the bills have to be paid.

Kam Grewal-Joy asked if the prior attainment thresholds and counts were a DfE or LA decision. Mary Murkin replied that for primary schools the DfE (NFF) and LA (historic) were using quite different measurements of threshold levels, however for secondary schools the two thresholds used were similar.

Tracey Burnside added that the methods for assessing pupils at the end of Key Stage 2 had recently changed and how would this be taken into account in measuring the levels of prior attainment. Mary Murkin replied that the LA had not had time yet to verify the NFF calculations for secondary schools so couldn’t yet answer this question. Chris Allcock added that when prior attainment was introduced as a formula factor, Derbyshire didn’t feel that the chosen indicator was a good measure of need in the primary sector hence the LA chose to put more funding through other indicators.

Kam Grewal-Joy asked if it was possible to look at the performance of the qualifying children for prior attainment funding in order to specifically target the funding to which Chris Allcock said it wasn’t really possible within a funding formula. The data is set by the DfE all we can do is determine how much funding to allocate through the multiplier.

David Beaumont said that schools would welcome more money to support special educational needs (SEN). It is hard to raise the first £6,000 of support per pupil when there are so many to support. Could some work be completed on clarifying how much of the budget is for SEN. Schools are having to reduce the number of Teaching Assistant hours employed to balance the budget, however, more support for SEN pupils was required from this source. The Chair said decisions on the funding formula would be taken away from the LA and Forum in two years anyway, so the School Forum’s role is to determine how we move towards the NFF.

Joy Williams added that the reduction in lump sum would be very important for smaller schools. David Beaumont supported this comment saying that modelling would be very important. Chris Allcock said that the decision on the Minimum Funding Guarantee (MFG) level would be a big part of the decision making process. If the LA decided to set an MFG of 0%, the losses due to a reduction in the lump sum would be largely offset by increased MFG protection. However, if the MFG was set at minus 1.5% level, schools would feel more of an impact.

The Chair asked that, given the details of the NFF had changed since the consultation, how are the multipliers set. Chris replied that the NFF multipliers have been published. However, once LAs have set their own funding formulas for 2018-19, and the effects of any changes begin to be felt by individual schools, schools may put local MPs under pressure for more financial support. Only time would tell if this would be successful and, until we know differently, we ought to assume that the multipliers are set at the levels published.

Chris Allcock then asked the Forum for any views on the direction of travel they wished to see in moving towards the NFF. The options were either to continue to use our own formula, adopt the NFF in full but then scale back the allocations as the cost of the NFF would exceed the available resources, or make some selected targeted changes to our own formula.

Liz Moorsom felt that the NFF will lead to some small schools in Derbyshire closing as they would not be financially viable and asked if that would lead to a reduction in overall funding for Derbyshire schools. Chris confirmed that if a school closes the overall level of funding would reduce as one less lump sum allocation would be received.

Shirley Harvey asked about the working body that was set up to look at small schools. Chris confirmed that a group is looking at the position of small schools with a focus on identifying ways of reducing costs. Chris added that when the lump sum ultimately reduces for small schools, and once any MFG protection has gone, they would have no choice but to operate more cost efficiently as the alternative would be closure. Councillor Alex Dale said it was not in the interest of the LA to close schools as more costs would be incurred for school transport and the lump sum element of funding would be lost.

David Channon asked that as we move towards the NFF could some transitional funding be introduced, especially for small schools. Chris Allcock replied that he would look at this within the DfE guidelines.

The Chair reminded members that money was committed for the Radical Rethink of the Early Help Offer (REHO) in the past to soften the blow of reductions in funding and not much happened. We needed to be convinced of the impact any transitional support would have.

Chris Wayment suggested that there should be an uplift of 2.5% for all schools if that was the amount of extra funding in Derbyshire. Chris Allcock replied that a general uplift would move us further away from the NFF in some areas, for example the lump sum multiplier would increase taking it away from the £110,000 in the NFF.

David Beaumont asked if the LA could feedback to the Government the impact of the NFF based on the new data. Very few schools will actually have more money as inflation is not being funded. Is there a plan to feedback our concerns about funding? Schools have incurred big increases in costs for things like NI and pension costs and there is no real growth. Schools are delivering fewer services and there is a strong case to say the DfE are not supporting schools.

Chris Allcock replied that there are no plans for feedback and maybe it is a question of timing. If we were to try now the DfE would undoubtedly say that Derbyshire is set to receive over 2.5% more funding for its primary schools next year. Also the DfE may be more inclined to listen to the views of individual schools rather than from the Forum or County Council.

A Forum member said maybe the only reason that Derbyshire was not closing more schools was that they have used up surplus balances from previous years to absorb the impact of real funding cuts.

The Chair said schools really needed to know their budget allocations as soon as possible in order to make financial decisions for the future. Chris Wayment disagreed as she said secondary schools already knew what the impact of the NFF would be.

The Forum agreed the report’s recommendations.

**17/33 High Needs National Funding Formula**

Chris Allcock presented a paper to inform the Schools Forum of the government’s High Needs Block (HNB) funding formula. He highlighted it would continue to be the responsibility of LAs to allocate the HNB, the NFF will determine the size of the HNB. Chris took the Forum through the HNB NFF which will allocate around half of the quantum, the balance of the funding being based on historic spend.

A Forum member noted the effect of the import/export factor and asked if we could increase the number of High Needs pupils educated within Derbyshire rather than be a small net exporter. Chris said that this would be possible, we would incur higher costs but would have an increased budget to do so.

Joy Williams asked if schools could continue to charge the £10,000 per place to other local authorities. Mary Murkin replied that it feels like Derbyshire would already be getting that money although it would be based on a point in time.

David Beaumont asked what would happen if the HNB were to overspend, could money be taken from the SB to cover an overspend. Chris Allcock replied that HNB is the block over which we have the most control. In the short term any overspend could be funded from DSG reserves but any on-going shortfall would be a problem. The Schools Block is now effectively ring-fenced with the potential exception of up to 0.5% (approximately £2m) which could be transferred if this had support from schools and the Schools Forum. The Early Years Block is set to reduce in 2018-19 and is unlikely to be in a position to help fund any HNB shortfall. Ultimately therefore the key challenge is to ensure HNB spending keeps within the allocated grant.

Julien Scholefield reminded the Forum that we needed to review how the HNB is spent as mentioned at previous meetings.

Joy Williams asked if HNB could feature ahead of SB on the next Forum Agenda to enable a fuller discussion.

The Forum agreed the report’s recommendations.

**17/34 Early Years Update**

Amanda Gordon presented the paper to update the Schools Forum on a range of Early Years issues, including the introduction of the Extended Entitlement of up to 30 hours a week. Amanda summarised that, from September 2017, the majority of families are eligible for the 30 hours provision as the eligibility criteria are quite wide. The LA has a duty to ensure that sufficient places are available and more and more schools are looking to run nurseries.

The formal route for extending the age range of a school takes between 6-9 months to implement. However, schools could establish a Governor Run provision which was much quicker and could be led by a suitability qualified teaching assistant rather than a teacher. Such provision would attract funding at the PVI rate which is currently slightly less than the nursery unit rate, although the two rates had to be equalised by April 2019.

Chris Wayment asked if a secondary school could operate a Governor Run nursery. Amanda replied that she has been contacted by a secondary school on this matter and was looking into it.

Deborah Turner asked that as Governor Run provision could be led by a teaching assistant, could a school close their nursery and run it as a Governor Run provision. Amanda replied that that they would have to go through the formal process to close a unit, including Cabinet approval, before they could re-open a Governor Run provision.

It was confirmed that the Early Years census was now electronic rather than paper based and this allowed LAs to contract with PVIs and academies.

David Beaumont noted that only about 300 places had been created from capital funding and asked if there were enough places across the county.

Amanda replied that originally there was a deficit of around 3,000 places which has now been reduced to 800 based on every eligible pupil wishing to take up a place. There are still pockets of deficits and in other areas there is an over-supply.

Deborah Turner commented that in the press she has seen articles saying parents were feeling frustrated by the process of signing up for the 30 hours provision and the lack of available places. Amanda replied that she had had hundreds of calls from parents about problems with the Government website for signing up, but no calls about not being able to find a place. She also said that the additional hours (between 15 and 30) can only start at the beginning of a term, so delays in obtaining the required access code from HRMC meant parents were losing a term of those additional hours. The LA could choose to fund pupils from mid-term but were not doing so. HMRC are assuring everyone that their website will improve over time.

A further impact of the additional hours provision was that some parents were choosing to defer their child starting reception from September to January or April as private nurseries were more flexible with timings for working parents i.e. 8am to 6pm provision.

Deborah Turner asked if schools had been made aware of the potential impact on reception numbers in school. Amanda replied that it was very early days yet and they were monitoring the position.

The Forum agreed the report’s recommendations.

**17/35 30 hours of early education – DSG capital Investment**

Amanda Gordon presented the paper to update the Schools Forum on the use of the funding designated to support capital projects for the creation of places for three and four year olds to address the issues of undersupply of places in order to meet the requirements for 30 hours of nursery education.

Chris Wayment asked where the deficits of supply were. Amanda replied that the shortfalls were in Glossop, Woodville and Belper. PVI providers are opening up new nurseries and/or expanding to take up the slack and are accepting the rate of funding. However, there is a problem in Woodville where, despite an extensive search for properties or the purchase of new suitable property/land, no new site for any LA provision has been identified.

The Forum agreed the report’s recommendation.

**17/36 Dates of next meeting**

6th November 2017 - 4.30pm-6.30pm - Rangewood Room, Post Mill Centre, Sth Normanton.

**17/37 Other Business**

With the permission of the Chair, Andrew Critchlow made available leaflets regarding a survey for schools about the EU School Milk Subsidy Scheme.

The meeting closed at 8.05pm.