

**DERBYSHIRE COUNTY COUNCIL**  
**DERBYSHIRE SCHOOLS' FORUM**  
**Minutes of the Meeting Held on 16<sup>th</sup> December 2014**  
**6.00 pm in Committee Room 1 at County Hall**

**Present**

Julie Broadbent, Joe Birkin, Martin Brader, Jason Smith, Julie Cadman, Kevan Lomas, Shirley Harvey, Philip Sunderland, Linda Du-Roe, Lee Floyd, Karen Hudson, David Channon, Andrew Large, Deborah Turner, David Allen, Cathy Tattersfield.

**Substitutes**

Peter Crowe

**Observers**

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**Officers/Others**

Chris Allcock, Mary Murkin, Kathryn Boulton, Ruth Lane, Mel Meggs, Ian Johnson, Simon Hobbs, Mike Calladine

**Apologies**

Brendan Hickey, David Baker, Duncan Jackson, Julie Bloor, Mike Davison, Peter Thorne, Mary Kerry, Andrew Critchlow, Lindsey Partridge, Eileen Gunton, Simon Beardall, Roger Tomlinson, Andrew Wild, Penny Pennington, Heather Rolfe, James McNamara, Alison Bull, Sue Kennedy, Cllr Jocelyn Street, Cllr Jim Coyle, Cllr Kevin Gillott, Cllr Damien Greenhalgh. Michelle Jenkins

Martin Brader chaired the meeting.

**14/36 Apologies**

Chris Allcock read out the list of apologies and confirmed the meeting was quorate.

**14/37 Minutes of the previous meeting – 4<sup>th</sup> November 2014**

A matter of accuracy was pointed out that at the bottom of Page 3, the text should have read The Forum agreed the conversion (not conversation) of £2.563m of DSG.

Matters arising:

**Item 14/30-Endowment for Children in Care**

Martin Brader pointed out that the graduation element of the endowment was £8,000 which may or may not be spent on education related activities depending on the individual young person. Chris Allcock indicated that the total cost of the endowment scheme per annum was £1.1m of which the DSG was contributing £0.25m; the Authority would have to ensure that the DSG contribution was spent on education costs in accordance with the grant conditions. The Chair requested an interim report

on the endowment scheme rather than waiting until the end of the two year pilot and this was agreed.

### **14/38 DfE Comparative Spending Tables 2014 - 15**

Chris Allcock presented the report and confirmed that the Forum is expected to consider these annual DfE tables. The following items were highlighted;

- Derbyshire's DSG was the 15<sup>th</sup> highest out of 27 shire LA's – this position is set to improve in 2015-16 as a result of the national DSG changes.
- Derbyshire were the 2<sup>nd</sup> highest spenders of our statistical neighbours (SN) on insurance £15 per pupil (total pupils aged 3-19 from maintained schools only) with a SN average on £0 –this is probably due to the Forum's decision to de-delegate funding for this service which some other LAs clearly do not.
- Derbyshire were the 3<sup>rd</sup> highest spenders of our statistical neighbours (SN) on special staff costs spending £10 per pupil (total pupils aged 3-19 from maintained schools only) with a SN average on £1, this is probably due to the Forum's decision to re-pool maternity and public duty costs.
- Derbyshire were the 3<sup>rd</sup> highest spenders of our statistical neighbours (SN) on High Needs with expenditure of £286 per pupil (total population aged between 0-19) compared with the average of £247. This equates to an additional spend of approx. £6.7 million.
- Derbyshire were the highest spenders of our statistical neighbours (SN) on Pupil Growth/Key Stage 1 support with expenditure of £19 per pupil (total pupils aged 3-19 from maintained schools & recoupment academies only) compared with the SN average of £7, the differential equates to around £1.3m. A paper on this issue is on the agenda for tonight's meeting.

A Forum Member pointed out that Derbyshire were the 4<sup>th</sup> lowest spenders of our statistical neighbours (SN) on School Improvement with expenditure of £18 per pupil (total pupils aged 3-19 from maintained schools only) compared with the average of £32. Chris responded that this is due in part to the delegation of £1m to schools for Teaching and Learning Consultants and accounts for nearly £10 per pupil of the difference.

### **14/39 Dedicated School Brant (DSG) Spending 2014 - 15**

Chris Allcock presented this information item. The forecast underspend is £3,001k of which £297k relates to re-pooled budgets, leaving a net underspend of £2,704k. The main contributor is an underspend of £2,969k against the early years budget which supports vulnerable two year olds. It was noted that this underspend will not reoccur in 2015-16 as funding will be based on participation rather than the two year old population.

Of the net forecast underspend, £2,704k, Forum has committed £2,563k towards capital investment to increase the supply of places for two year olds, this leaves a forecast uncommitted underspend of £141k.

Deborah Turner asked if the overspend of £218k on Behaviour Support services was linked to aspiration to have zero exclusions. Kathryn Boulton replied that Pupil Referral Units (PRUs) can be used before exclusions and there are many flexible options to keep children in education. Schools still have the right to issue a permanent exclusion. She also reminded Forum that it has already agreed to fund an additional £0.5m in both 2015-16 and 2016-17 towards the Alternative Provision pilot. Karen Hudson added that the overspend was unconnected to the PRUs as they had their own budgets now.

The report was noted.

## **14/40 Schools Block Dedicated Schools Grant 2015 - 16**

Chris Allcock presented a lengthy paper which was split into sections.

### **2.1 DSG income**

Chris confirmed that the 2015-16 DSG settlement had still not been received, whilst the Schools Block DSG was fairly predictable the High Needs and Early Years Blocks were less so. The estimated increase in Schools Block DSG is £16.249m.

This was noted by the Forum.

### **2.2 Mainstream schools' initial allocations**

Appendix 1 detailed the proposed allocations for 2015-16 to schools which are based on the LA's estimated data at this stage. The multipliers used are in line with those indicated in the LA consultation earlier in the year with the exception of deprivation and LCHI where the cash quantum has been retained at 2014-15 levels as Derbyshire already invested heavily in deprivation and keeping these allocations cash flat would maximise the increase in AWPU, an area where Derbyshire was particularly low. The total cost of the changes to DSG is estimated to be £10.944m from the £16.249m increase.

The approach was supported by the Forum.

### **2.3 Central Schools Block Allocations funded by DSG**

Appendix 2 detailed the central functions funded by DSG which have not materially changed since 2013-14 under the current national framework. The only change is the item of £1.5m for Schools Performance to support schools and academies whose performance is giving cause for concern, this was agreed at the previous Forum meeting and will be funded by DSG cash rather than core budget.

Deborah Turner asked if schools causing concern are being double funded as they appear in the Combined Budgets section too. The reply was that they will be receiving the £1.5m plus approx. £0.3m from the Combined Budgets allocation. The Appendix was designed to separate out the new investment to aid transparency.

Martin Brader asked why do we have to fund academies at all and would it be possible to refuse to support them? Chris Allcock replied that DfE regulations state that academies must have equal access to centrally held DSG funding and we could not refuse to consider any valid applications.

The Forum agreed the request to retain funding for the items set out in Appendix 2 for 2015-16 within the Schools Block.

#### 2.4 Summary of the core budget position

This section summarised the position to date regarding proposed/estimated allocations and it was estimated that once the increases in mainstream and other budgets had been funded, £2.948m of the increase remained.

#### 2.5 Proposals for allocation the residual Schools Block DSG

2.5.1 Mainstream Schools – it is proposed to delegate a further £1m on the basis of pupil numbers via the AWPNI multiplier as this indicator is comparatively low compared with other LA's which would be worth approx. £10.60 per pupil and equate to around 0.25% of the ISB.

2.5.2 Special Schools – Chris provided comparative data recently received from Nottinghamshire LA and presented a comparison of Derbyshire special school funding with other LAs. The data indicated wide variances in funding with comparisons showing that currently 55% of Derbyshire schools (22 out of 40) appear to receive less than the comparators in other LAs. The comparison for 2015-16 was circulated and included the impact of the proposed uplift of 2% plus an extra £750k. This analysis showed that only 17.5% of the comparisons (7 out of 40) had Derbyshire special schools receiving less than comparator schools in other LA's.

A subsidiary question also remains of how the additional allocation might be awarded. Options include:

- A pro rata increase in profiles
- A flat rate increase in all profiles
- A flat rate increase in the lowest value profiles

Looking beyond 2015-16, Headteachers have expressed concerns that the current profiles are no longer fit for purpose and a working group will review the current arrangements and report back to Forum in 2015. A lengthy discussion then took place with Lee Floyd representing special schools' views and quoting figures mainly relevant to his own school, Stubbin Wood.

Lee felt that:

- The multipliers are historical, open to interpretation, some are objective to assess and some are more subjective. They need to continue for 2015-16 but after that special schools wish to do away with them.
- Staffordshire schools and some Nottingham City schools should be excluded from the comparisons which then show that Derbyshire schools are underfunded compared with those in other LA's.

- Stubbin Wood's budget is £300k short every year on what he needs to educate children and keep them alive.
- Additionally he pays £123,977 per annum on health support costs.
- He can't afford to use all the facilities in his new school.
- Of the additional £0.75m proposed for special schools 50% of this would be spent on maintaining existing services only
- The LA currently spends £5m p.a. on paying for Derbyshire pupils to attend out of county settings, especially those in the private sector. This is because they provide more facilities and parents take the LA to tribunals to show they can meet the needs of their children better than Derbyshire special schools. To reduce the out of county budget, we need to provide additional facilities. To take back out of county pupils special schools need to be funded on the same basis as these other institutions which are often privately run and can cost in excess of £100k p.a.
- Only special schools' balances are declining.
- When a child dies funding is lost immediately and this results in redundancies of staff but he knows that this cannot be changed following the DfE changes in budget allocations. Before these changes the LA method of allocating budgets did have some flexibility.
- Special schools are competing with out of county providers and we need to look at ways of getting these pupils and their funding back into Derbyshire schools.
- Special schools are full and children with lower levels of needs will be left in mainstream schools for them to deal with if more money is not passed to special schools.

Kathryn Boulton stated that:

- Work on reviewing the out of county spend was being undertaken.
- The LA is engaging with Health to discuss expenditure which may be their responsibility rather than schools'.

Cathy Tattersfield stated that:

- High Needs was a strategic problem, some LAs highly fund this area, some LAs send the majority of pupils out of county, but she felt that High Needs pupil funding should be needs led and allocations based around individuals' needs not on classifications.

Other Forum members commented that:

- How much would individual mainstream schools lose in order to give special schools more?
- Can we look at individual special schools and fund accordingly?
- Maybe we need to look at the role of special schools in Derbyshire, out of county placements, and further DfE announcements

- All schools in Derbyshire are being funded less than average and would like more money; you propose taking more money away from mainstream schools. Funding is finite and the LA are doing what they can.
- It is a dangerous precedent to set to compare with other LAs, any sector could request that, should we really be benchmarking against independent schools?
- Primary and secondary schools say their budgets are short of cash, they also need to provide for SEN pupils too.

Martin Brader summed up saying it seemed that Forum was unable to come to a collective view on this issue. Chris Allcock reminded the Forum that decisions on funding were ultimately a matter for the Council; the Forum's role is to give a view on the issues raised. If the Forum is unable to reach a consensus that is fine, the Council will note this in its own deliberations. Chris stated that one of the uncertainties regarding funding for next year relates to the High Needs Block, thus it will be possible to reconsider the position of special school budgets at the February Forum meeting.

#### **14/41 Developing a collective response to the 'Wicked Issue'**

Ian Johnson (Deputy Strategic Director, CAYA) presented the report with support from Kathryn Boulton (Assistant Director, Schools and Learning CAYA) and Mel Meggs (Assistant Director, Universal and Targeted Services CAYA).

The LA has to save £158.9m over 5 years. The target saving for 2015-16 is £48.2m of which CAYA's share could be between £10 and £13m. Ian explained that what Derbyshire is proposing is a radical and different approach to the problem of providing more than the high risk statutory functions due to the budget cuts, which some other LA's are choosing to do. This is a real challenge but the prize is considerable.

The LA is seeking to enter into joint commissioning arrangements with the community of schools and academies to explore how the current early help offer can be sustained and improved, building on the multi-agency teams (MAT's) initiative. The LA has commissioned a consultancy team (at its own expense) to develop a collective response to this issue.

Deborah Turner asked what money other agencies had committed in terms of funding compared with what the DSG was being asked to fund.

Mel Meggs replied that Health have committed approx. £3m, the Troubled Families contribution is dependent on results but is likely to be several million, the DSG contribution sought would equate to around 15% of current gross spend.

Deborah Turner asked what is the minimum funding required. Ian Johnson replied that £20m is required to maintain current support levels, the DSG contribution, which would be for a 12 month period, would allow the consultants to work with schools and the LA to consider the best way forward for the future.

Linda Du Roe commented that the current early offer was a commendable service and understood that the LA was asking for breathing space to assess the best way forward. However, she was worried that this may take more than 12 months and does the plan assume that schools will continue contributing either towards delays or in the future? This view point appeared to be shared by a number of Forum members.

Martin Brader was disappointed that there were only four Headteachers at the meeting and the people he had spoken to were not sure how it would work.

Kevan Lomas said that as a serving Headteacher this is a difficult issue. It is difficult to understand what services may be lost and different schools will use the resource to a greater or lesser degree.

Lee Floyd said special schools had discussed this issue and they couldn't agree to provide any funding as they are so short of money themselves and don't use the MATs.

A Forum member said that a number of schools don't use MATs or if they had they had received a poor service.

Joe Birkin asked what has happened with regard to this issue since Ian Thomas' original letter in July. Kathryn Boulton and Ian Johnson replied that schools need to be involved in the process of developing a proposal to overcome this situation including ascertaining financially how it might all work and attention was drawn to the time line at the end of the report. Progress will accelerate during the consultancy process.

Mel Meggs replied that consistency and quality issues with MAT teams were continuously being addressed.

The Forum is being asked to approve expenditure of £2m from previous years' DSG underspends and £1m of core budget, from the additional £16.249 m to be received in 2015-16.

Joe Burkin asked where the money has come from in the past. The reply was that funding had come from LA budgets which have now been cut.

Martin Brader asked where the money will come from in the future. The reply was hopefully savings can be made on other schools' costs within the DSG and the LA is working on this.

Cathy Tattersfield summarised that this is the only plan on offer at present, we may decide in 12 months' time to abandon the service, what's being asked for now is not a long term commitment. Schools are not being asked to contribute directly at this stage, just to release funding they have never had.

Joe Burkin proposed that the Forum approve the investment of £3m, supports an application for approval to the Secretary of State and the consultation, subject to receiving further reports.

A vote was taken with 13 members agreeing, 1 against and 2 abstentions.

#### **14/42 Criteria for the Allocation of the Pupil Growth Fund**

The paper was presented by Chris Allcock who summarised the existing position including highlighting that Derbyshire is the 2<sup>nd</sup> highest funder within its statistical neighbours and 7<sup>th</sup> highest of all shire LAs. Additionally Derbyshire doesn't fund in-year pupil growth whereas some other LAs do.

Chris stated that many schools claiming from this fund had large surplus balances, 90% had balances in 2013-14 in excess of what they claimed, 71% had balances at least £25k more than the amount claimed and 48% had balances at least £50k more than the amount claimed.

The proposal is that schools would contribute the first £500 per month of any claim commencing in September 2015. On this basis an estimated £1m could be saved over a 12 month period. Any school, for which finding the additional contribution would represent an unreasonable burden and have significant implications for the school and its provision to children, could make an application to the LA for an exemption. However, exemptions were only likely to be approved for small schools and/or schools already in financial difficulty. Any approved exemptions would be funded from the re-pooled contingency fund.

Any underspend in 2015–16 would help towards resolving the projected medium term cash shortfall. If the new arrangements are successful a potential £1m would be available in 2016-17 for reallocation with the DSG.

The recommendations were approved by the Forum.

#### **14/43 Equal Pay Update - Confidential**

It was agreed that funding be set aside centrally from previous years' DSG underspends for the purpose of settling equal pay claims rather than the costs being lodged against individual schools. Further reports would be provided to the Forum on this issue as necessary.

The date of the next meeting will be **18<sup>th</sup> February 2015 at 6.00pm** at County Hall.

The meeting closed at 9pm.