

THE CUMBRIAN SCHOOLS FORUM
MINUTES OF THE MEETING HELD ON
17 NOVEMBER 2004

PRESENT

Mr A Abernethy (Carlisle Secondary)
Mr R T Alston (Foundation Secondary)
Mr S Bowditch (Special Schools)
Mr C Brooksbank (Foundation Primary)
Mr A Bryant (Cumbrian Governors' Council)
Mr P G Chappelhow (CCC - Conservative Group)
Mr C Clarke (South Lakeland Secondary)
Mr J Douglas (VA C of E)
Mrs T Eyre (Copeland Primary)
Mrs J Farebrother (Nursery School)
Ms S Gaston-Parry (Copeland Secondary)
Mr S Halfpenny (Carlisle Primary)
Mr H Hrynkow (Barrow Primary)
Canon D Jenkins (Diocesan Authorities)
Mr C Rafferty (Allerdale Primary)
Mr R Rogers (Eden Primary)
Mr A Rutter (Teachers' Professional Associations)
Mrs J Stocker (Cabinet Member for Education - Observer)
Mr B Thomas (Cumbria Early Years Development and Childcare Partnership)
Mr E Tumelty (VA Catholic)
Mr M Woodburn (South Lakeland Primary)

Officers in attendance:

Ms V Ashfield (Corporate Director – Education)
Mr D Johnston (Education)
Mr A Hodge (Education Finance)
Mrs N Shiels (Education)

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from:-

Mrs E Moffatt
Mrs M Pickthall
Mr D Southward
Mr M Yearsley

2. MINUTES OF THE MEETING HELD ON 21 SEPTEMBER 2004

Subject to an amendment to minutes number 8, page 5 relating to Cumbria Healthy Schools – to amend to, the Schools Forum recommended not agreed, the minutes of the meeting held on 21 September 2004 were agreed as an accurate record.

3. MATTERS ARISING

There were no matters arising other than those that would be considered as separate items later on the agenda.

4. WORKING GROUP MINUTES

There were three working groups of the Schools Forum all of which had met since the last meeting of the Schools Forum on 21 September 2004.

- i) School Size Working Group – The School Size Working Group had met on 5 October 2004 and had agreed that their work had reached a point where it was appropriate to report formally to the Schools Forum. A report summarising the work undertaken by the School Size Group over the past two years would be considered later on the agenda.

Schools Forum noted the minutes of the School Size Working Group held on 5 October 2004.

- ii) SEN, School Deprivation, Access and Inclusion Working Group – The SEN, Social Deprivation, Access and Inclusion Working Group had met on 7 October 2004 and had considered special school funding and strategic development and social inclusion. It had also recommended to the Schools Forum that the LEA should continue to retain the Ethnic Minority Achievement Grant centrally, but that some evaluation of how the grant was spent should be produced. The Schools Forum felt that the SEN Group should consider the evaluation report prior to the Forum agreeing the recommendation.

The Schools Forum then noted the minutes of the SEN, Social Deprivation , Access and Inclusion Working Group held on 7 October 2004.

- iii) Schools' Budget Working Group

The Schools Budget Working Group had met on 13 October 2004 and had considered a formula for nursery schools and the CAPITA contract, both of which appeared later on the agenda. It was reported that the supply list had now been updated, but it was very difficult to access the list. A meeting had also been held with a representative from Unison regarding the Trade Union Convenor. It had explained that the funding would be on the same basis as the teaching associations, ie if a member of staff was engaged on union duties then the school would be reimbursed for the cost of absence. The special schools representative reported that one of his school staff had been approached to act as Unison Trade Union convenor on a secondment basis for one year. In order to clarify the LEA and Schools Forum position, it was agreed that the

outcomes of the meeting with the unison representative, should be expressed in writing and forwarded to Unison.

There had also been a concern regarding CRB checks that had been carried out by OFSTED not being accepted by CAPITA. Clarification was given that the schools were responsible for ensuring that staff were CRB checked by an appropriate organisation.

The Schools Forum noted the minutes of the Schools' Budget Group held on 13 October 2004.

5. EDUCATION BUDGET 2005/06

A report that updated the members of the Education Forum regarding the 2005/06 budget was presented. The report highlighted all the proposed budget changes for 2005/06 that would impact on the Schools Budget and gave a view of other pressures that would affect the Education Service budget. This report would set the context within which items later on the agenda would be considered. All of the information provided was of a provisional nature as the final settlement was not expected from Government until early December. Provisional national increases in Formula Spending Share (FSS) to Local Authorities had been announced. The national average increase for education, based on FSS, was 5.91%. In Cumbria however the increase to the Schools Budget would be lower than 5.91% because it was based on FSS and not current spending. Expenditure in Cumbria was well in excess of Education FSS and had been for a number of years.

Relevant percentages for the schools and LEA sub-blocks were not yet available, but based on current provisional information the percentage increase to delegated budgets was expected to be 6-7%. This assumed an equal increase to all sectors, however, the Government had already guaranteed a minimum increase in funding levels to all schools of 5% for primaries and nurseries and 4% for secondary and special schools. The differential was intended to reflect the additional costs that faced primary and nursery schools as a result of the workforce reform arrangements. In terms of the LEA budget, the Council had identified guideline total budget amounts for planning purposes. For corporate theme D 'Promoting Learning and Care' the budget for planning purposes had identified an increase of £14.2m, of this amount £12.6m was the identified increase in the schools block with the remaining £1.6m to meet budgetary pressures in the LEA block. It was noted that additional LEA budget block pressures currently exceeded the Councils guideline planning total by £1.8m.

The Special Schools representative expressed some concerns that special schools were not mentioned specifically. It was confirmed that special schools would receive the same 4% minimum funding guarantee as secondary schools. The assumption being that workforce reform would not have as great an impact in secondary and special schools as in primary and nursery schools.

The Schools Forum then noted the latest estimated budget projections for 2005/06 for both the Schools Budget and the LEA Budget.

6. SCHOOLS BUDGET – CATERING / YOUTH SERVICE

On 21 September 2004 a report that asked the Schools Forum to indicate whether or not it would support the Council in not passporting the whole of the increase in the Schools Block to the Schools Budget. Whilst the members of the Forum had sympathised with the County Council position, they felt that such an important issue should be discussed fully with constituents before final agreement was reached. A further report regarding the issue was therefore presented to the Schools Forum.

The DfES expected LEAs to passport the full annual increase in Formula Spending Share (FSS) into the Schools Budget. This expectation was regardless of whether or not an individual LEA was already spending above the Schools Block FSS.

For a number of years Cumbria had funded schools and the Schools Budget at a higher level than expected by government as identified in the FSS. In recent years government has put pressure on LEAs to ensure that the full annual increases in FSS were passported into school budgets, irrespective of whether or not an individual Authority was already incurring expenditure on schools in excess of its FSS. As a result, those authorities with excess school spending have had to curtail additional funding in other areas.

The Government had now indicated that Cumbria should increase its expenditure on the Youth Service and it had outlined its vision for youth work in the document “Transforming Youth Work – Developing Youth Services for Young People”. The document set out the Government specification for an “Excellent Youth Service” and indicated the resolve to establish improvement. It was believed, facilities made available through the Youth Service should form an important part of the education system and that local authorities should take the lead in ensuring an effective Youth Service. Where a local authority failed to do so, the Secretary of State would intervene and either direct the LEA to provide specified facilities or direct that another body operate the Youth Service.

The National Youth Agency had reviewed the current state of Cumbria’s youth provision and had reported that in many of the projects visited as part of the reviews there were very low numbers of young people participating. It was also reported that the Youth Service in Cumbria would be inspected by Ofsted during February 2005.

From 1 April 2004, catering responsibilities had been delegated to primary and nursery schools and the service, as a whole, was restructured to make it more responsive and efficient. This restructuring exercise had produced immediate efficiency savings and whilst some of the saving was required to meet redundancy costs, the balance in 2004/05 had been used to refurbish kitchens. In subsequent years most of this remaining balance would be available to meet other Council pressures. The most urgent was to increase services to young people.

Cumbria had for some time provided half-time places for three year olds from the commencement of the autumn term following their third birthday. As from 1 April 2004, all local Authorities had been required to provide places for three year olds from the commencement of the term following their third birthday. Financial provision had therefore been made for a place for all eligible pupils. The latest information available suggested that not all eligible pupils were taking up their entitlement to five half day sessions per week and that other pupils were not entering provision in the term following their third birthday. As a result, the budget provision for early years was over provided by approximately £750,000 per annum.

In conclusion catering efficiency savings of £1.3m had been identified together with a shortfall of spending on Early Years of approximately £0.7m. The non-passporting of all or some of these identified reductions to the schools budget in 2005/06 would not result in reduced funding levels to delegated budgets from the current delegated total. The Forum were, therefore, asked to express its views on the possible transfer of £1.3m from the Schools Budget (central withheld) to the LEA block to enable the LEA to progress investment on the Youth Service.

The Forum discussed the report at length and during the discussion a number of points were made, including:-

- this issue had resulted in a great deal of concern amongst constituents. Forum members reported numerous contacts from colleagues. In the previous year Headteachers had been concerned about the catering restructuring exercise and delegation of catering responsibilities, in particular how this would affect their schools. The changes had, however, been accepted based on the future benefit to schools that would result from the savings made;
- several members of the Forum had expected that further information would have been received which would have outlined how current resources were spent on youth provision and how it was envisaged that the Youth Service would work in future, including how the additional resources would be utilised;
- rigorous and robust plans for Youth Service delivery would be essential. The Corporate Director emphasised that local plans were being prepared and would be required in order to draw down funding. Local plans would be specific to the local areas and they would compliment a county wide plan that would include groups such as scouts and guides.
- the Corporate Director also shared with the Forum her concerns about the forthcoming inspection of the Youth Service by Ofsted and her view that the outcome would not be a favourable one. She went on to explain that she anticipated extensive monitoring would be established post inspection.
- concerns were expressed about the quality of the school meals service and it was reported that some schools were having to subsidise from school budgets;

During the debate the Teachers' Association representative had asked whether there was potential for the shortfall of spending on Early Years to be made available for the Schools Budgets. This was confirmed as a possibility. The Corporate Director also indicated that it may be possible to make available to secondary schools a proportion of the Youth Service budget. The amount indicated was £0.3m, that would be available to secondary schools to support young people within schools. Secondary representatives expressed a view that a 'bidding system' for this funding would not be welcomed. The Corporate Director hoped that any school that wanted to provide activities to support young people in the target group could receive part of the funding.

This was a complex situation that had been explained and discussed fully. Forum members felt it would be difficult to report back to constituents, but there was general acceptance from the Forum that resources were required to support the development of youth provision. The Chair therefore asked the Forum to take a decision regarding the proposal contained in the report. It was however, suggested, that it may be appropriate to consider the next item on the agenda – Use of Headroom: 2005/06 and then take a decision about items 5 and 6. The Forum felt that this suggestion was not appropriate so upon being put to the vote, **the Schools Forum agreed:-**

- i) to support the Council in a transfer of £1.3m from the Schools Budget (central withhold to enable it to increase Youth Service provision);**
- ii) that £0.3m to be made available to secondary schools to support young people subject to specific delivery plans and close liaison with schools;**
- iii) that the identified shortfall of expenditure on Early Years of approximately £0.7m remain available for the Schools Budget.**

Votes were cast as follows:-

11 for, 5 against and 2 abstention.

7. USE OF HEADROOM 2005/06

At its meeting on 19 January 2004 the Forum had approved a scheme that allocated £450k to schools in financial difficulties in the current financial year. The scheme had been based on a number of specific criteria and in total three primary and four secondary schools had received funding in 2004/05.

The Secretary of State had again indicated that LEAs would be expected to give priority in the use of the headroom over the minimum funding guarantee to target resources on schools with additional pressures.

On 21 September 2004 the Schools Forum had considered a report which suggested possible criteria for inclusion in a scheme for distributing headroom resources in 2005/06 and the initial views of the Forum had been sought.

A further report was now presented which set out various options for a possible scheme. Some principals for consideration were:-

- 1) should Headroom be used to meet all current deficits?
- 2) should Headroom only be used to meet deficits that could only be repaid over a period of years exceeding say three years?
- 3) should Headroom only be used to meet deficits (all or in part) which arose prior to the current school leadership?
- 4) should Headroom be used to meet deficits meeting criteria (2) and (3) above?

The Forum considered what was an appropriate percentage of the budget for a school to repay and what was a reasonable timescale, in years for repayment. Other options that could be incorporated included:-

- i) the deficit had arisen because of circumstances beyond the schools control and it could not have reasonably have been foreseen;
- ii) the deficit had arisen prior to the schools current management being responsible.

The report also explained that for all schools to repay their deficits within three years without additional assistance, would result in some schools having to reduce educational provision to an unacceptable level. Current pupils would be seriously disadvantaged. It was to avoid this happening that the Secretary of State was suggesting that LEAs used some or all of their Headroom funding to target resources at schools in financial difficulties.

This remained a very sensitive issue and again members of the Schools Forum reported that they had received numerous contacts from colleagues. There continued to be a general perception of unfairness as the majority of schools worked very hard to manage their budgets. The Corporate Director reiterated her comments from the previous meeting of the Schools Forum when she had reported that extensive work that had been undertaken by the Finance Team to reduce the number of schools with deficits budgets. She further reported that a policy had now been agreed for the suspension of a schools delegated budget, this power would be exercised in future if it was deemed to be necessary.

There was also a long discussion regarding closure vs repayment. Would it be more beneficial to children attending a school repaying a large deficit, for the school to close and the children go elsewhere? It was explained, however, that if a school in deficit was closed the deficit and other associated costs would fall to the LEA and would, in effect, be a cost to all the remaining schools.

When this issue had been discussed on 21 September, it had been suggested that background information including surpluses and deficits in the two or three years previous together with projected future budgets would be helpful in informing the debate. Although the report contained detailed information regarding proposed options, and further information had been presented verbally, many members of the Forum still felt that more background information was required.

The Schools Forum therefore proposed that the decision regarding the targeting of Headroom resources to schools facing financial pressures be deferred until the next meeting of the Schools Forum on 14 January 2005. Additional information that would inform the decision would include:-

- **details of the final settlement from Government;**
- **details about those schools that received assistance in 2004/05 and the effect on their budgets;**
- **up to date deficit information.**

8. STANDARDS FUND

The Schools Forum considered a report that provided details of the Standards Fund grant for 2005/06 including a schedule setting out details of Standards Fund grants that had been announced by the Secretary of State. Details were still awaited for Capital Standards Fund grants. Government were committed to a major rationalisation of DfES grants for schools in 2006/07 so had decided not to make any major changes for 2005/06. The overall Standards Fund Support would therefore be increased by 4%.

On 1 April 2004 eight individual grants had ceased and were transferred into the renamed School Development Grant. Allocations were based on the sum of the individual grants that schools had received in 2003/04 plus a percentage increase. In 2005/06 each school would be allocated the same amount as received in 2004/05 plus 4%. After increasing all allocations by 4% there would remain an unallocated sum which, if allocated across all schools pro rata to existing allocations, would result in an uplift of 4.8% to all schools. The Forum were asked to express its views on the proposed increase of 4.8% in 2005/06.

The Schools Forum:-

- i) noted the latest position on announced Standards Fund grants for 2005/06;**
- ii) recommended that the 2005/06 School Development Grant 1 allocation to schools be increased by 4.8%.**

9. NURSERY FUNDING

A report summarising the initial work on nursery funding that had been carried out by a sub-group of the Schools Budget Working Group was presented.

At the meeting of the School Budget Working Group held in July a sub-group had been established. Two main objectives for the nursery group were established. These were to propose a funding formula for nursery schools and consider the funding options for all nursery classes in mainstream schools with a particular regard towards comparability with nursery schools and other providers. Following a number of meetings the Nursery Group proposed a new formula for funding nursery schools and nursery classes within maintained infant and primary schools. The proposed formula would ensure that nursery schools were funded on a formula basis, ensure equity of funding between all maintained nursery pupils and enable all except one nursery school to function at a similar staffing level as at present.

The proposal would increase the AWPU for three year olds and would cost £780k. This cost would fall to other schools unless additional funding from elsewhere could be identified. The Schools Forum Budget Working Group had considered the proposals on 25 October and recommended that they be agreed by the Schools Forum.

During discussions regarding the proposals, a number of points were raised, including:-

- could a review of nursery schools be undertaken? – the Corporate Director explained that a review had already been undertaken and, with the exception of Kendal, no obvious solution had emerged in any of the other areas. Further work regarding proposals for the Kendal area was underway. The Corporate Director further reported that a future review could be undertaken as part of the development of the structure for Children’s Services;
- there were different levels of AWPU for the different Key Stages and it was very difficult to determine which levels should attract greater amounts;
- there had been a change in Government emphasis away from the closure of nursery schools. Nursery schools now tended to be a focus for developing Children’s Centres.

The recommendation to the Forum had two main parts together with a request for a view based on the initial decision. The Chair explained that the Forum did not need to agree all aspects of the recommendation, but could defer part until the Forum’s next meeting in January.

Upon being put to the vote, the Schools Forum agreed to recommend that the proposed formula for nursery funding for nursery schools be as detailed in section 4 of the report.

Votes were cast as follows:-

13 for 0 against 1 abstention.

The Schools Forum then deferred the decision of whether to recommend extending the new formula to include nursery classes within primary and infant schools, and give a view on how to meet the cost of the funding change to its next meeting on 14 January 2005.

10. CAPITA CONTRACT

CAPITA and CCC were strategic partners. The latest version of the draft proposals were tabled at the meeting. Members of the Forum were reminded that the proposals remained “commercial, in confidence”.

In recent months the LEA had been in negotiation with CAPITA to draw up a framework contract for schools to begin in April 2005. A number of meetings had taken place involving LEA officers and CASH and PHA representatives. The Chair of the Schools Budget Working Group had also been involved in the discussions and he expressed his concern that none of the suggestions proposed during the discussions had been incorporated into the latest draft by CAPITA.

The Corporate Director expressed her concern that the reputation of the LEA reflected the perceived performance of CAPITA and she suggested that it might be appropriate to invite a representative from CAPITA to attend a future meeting to hear concerns.

In discussing ways to collect expressions of concern, suggestions were made including:-

- logging individual concerns that would inform a collective response to CAPITA;
- commission the LEA to investigate alternative providers;
- schools would determine what was best value for them and act accordingly.

The Chair of the Schools Forum felt that it was important to establish a monitoring function through the Schools' Budget Working Group. This would enable proper monitoring of all CAPITA functions to be undertaken. In order to perform this function, it may be appropriate to invite a representative of CAPITA to attend meetings to review a single CAPITA function at each meeting.

The Chair of the Schools' Budget Working Group agreed to progress the development of the monitoring function rigorously. Those colleagues that had been involved in the negotiation process were thanked for their input and hard work.

11. ATTENDANCE ISSUES

Forum members remaining in attendance expressed their concern at the number of colleagues that had left the meeting at lunchtime or during the early part of the afternoon. There were still a number of important agenda items to consider. It was requested that the Chair of the Schools Forum write to all members of the Forum to remind them of their responsibilities.

12. CATERING ISSUES

The Schools Forum considered a report that highlighted two specific issues in the catering formula and asked the Forum to make a recommendation on both.

- i) School Meals Data – The Fair Funding Formula contained a component for school meals which was calculated using a mixture of free school meals taken and pupil numbers. The number of free meals was taken from the PLASC count and was used to make an annual allocation. There was no provision in the current formula to make adjustments should meals numbers increase or decrease at any point during the year. If the LEA were to add a component in, schools would need to agree the frequency of additional counts.

The Schools Forum recommended that the formula regarding the basis of meal numbers and counts should remain unchanged.

- ii) Meals Funding for Newly Amalgamated Schools – The LEA encourages the amalgamation of infant and junior schools, on the same site, whenever possible. To encourage amalgamation and to recognise the initial costs which amalgamating schools may incur in the short term a number of formula factors are 'tapered out' over a period

of three years. The catering formula was allocated on a sliding scale, with larger schools receiving less funding per pupil than smaller schools.

In order to encourage consistency and not as a disincentive to amalgamation, the Schools Forum recommended that the effect of the funding reduction when schools amalgamated should be tapered over three years.

13. SCHOOL SIZE ISSUES

A report that summarised the work of the School Size Working Group over the past two years, and highlighted a number of recommendations, had been prepared for consideration by the Schools Forum. The Chair of the School Size Group felt that in view of the small number of members of the Forum still present the item should be deferred until the next meeting of the Forum.

It was therefore agreed that the report, “School Size Issues” would be considered by the Schools Forum on 14 January 2005, and that the item would have a high priority on the agenda.

14. SCHOOL FEDERATION

A report that detailed a variation to the LEAs formula for funding schools in order to facilitate the federation of two or more schools was presented. As this item related quite closely to the previous item about School Size Issues the Schools Forum agreed that consideration should also be deferred until 14 January 2005.

15. ANY OTHER BUSINESS

- i) School Forum Seminar, Manchester – A number of members of the Schools Forum had attended the Seminar. The Chair of the School Size Working Group reported his view that Cumbria’s Schools Forum operated very favourably compared to other Forums that had been represented at the seminar. Members of the Forum did express their view that they felt they received a good quality of support from officers. The Chair also stated that he felt that most debates were very frank and open. This view was not always shared by the Special Schools representative.
- ii) Newsletter – It was agreed that a newsletter or update containing recommendations only, agreed by the Schools Forum should be produced and circulated via the School portal. More detailed minutes would also be produced.
- iii) Expenses – The Chair of the Schools Budget Working Group asked whether many members of the Schools Forum claimed their expenses, and if the budget was sufficient. It was reported that at present the budget was sufficient and claims were regularly submitted.

The meeting ended at 2.15pm.

PR/NJS
30 November 2004