

THE CUMBRIAN SCHOOLS FORUM
MINUTES OF THE MEETING HELD ON
14 JANUARY 2005

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)
Mrs T Eyre (Copeland Primary)
Mrs J Farebrother (Nursery School)
Ms S Gaston-Parry (Copeland Secondary)
Mr S Halfpenny (Carlisle Primary)
Mr T Hobson (Eden Secondary)
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)
Mr P Shaw (Allerdale Secondary)
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 Yearsley (Community and VC Secondary)

Officers in attendance:

Mr D Johnston (Education)
Mr A Hodge (Education Finance)
Mrs N Shiels (Education)

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from:-

Mr J Douglas
Mrs E Moffatt
Ms J McAllister (representing Mrs M Pickthall)
Mr M Woodburn

2. MINUTES OF THE MEETING HELD ON 17 NOVEMBER 2004

Subject to an amendment to the constitution represented by Rev B Thomas and the removal of 'smaller' from the third line of minute number 9, page 8, the minutes of the meeting of the Schools' Forum held on 17 November 2004 were agreed as an accurate record.

3. MATTERS ARISING

Capita Contract – It was confirmed that the contract had been finalised and would be sent to schools within the next week together with a covering letter. Whilst a number of groups had been working with Capita to finalise the contract, it had not been formally endorsed by the Schools' Forum. A monitoring group would be established to monitor the contract over the next three years and colleagues within the finance team would continue the kitemark process for alternative suppliers.

The Conservative Group asked about the work that was also being commissioned by the Learning and Recreation Scrutiny Panel and how this would fit into the overall process. It was explained that the Panel had established a small working group to look at services provided to schools, one of which was the Capita contract. The main issue for investigation was whether those schools that did not buy back from Capita were receiving suitable services from the alternative providers.

The Eden Primary representative was some concerned that each time the School Forum met it emerged that other groups were discussing areas of work similar to that of the Forum and its working groups. In particular relation to the role of monitoring the Capita contract it was felt that all work would need to feed into the monitoring group once it was established.

There were no further 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 but only the SEN, School Deprivation, Access and Inclusion Working Group had met since the last meeting of the Schools Forum on 19 November 2004.

SEN, School Deprivation, Access and Inclusion Working Group – The SEN, Social Deprivation, Access and Inclusion Working Group had met on 8 December 2004. The Chair of the SEN Group began by apologising to the Schools' Forum for having not attended some recent meetings, his school had recently undergone an OFSTED inspection. He then explained that at the meeting of the SEN Working Group held on 8 December 2004 there had been an extensive discussion relating to a letter tabled by the special schools representative. The letter set out concerns relating to the fairness of SEN funding and also whether the proposed review of SEN funding would actually result in fair funding. This had been a very challenging meeting and it had not been possible for the SEN Working Group to reach agreement regarding the proposed conditions of the review of special school budgets.

The special school representative went on to express his concern relating to the process that would be followed for the analysis of each special school's budget and his personal view regarding the outcome of the review. He proposed that a representative of the Schools' Forum should be involved in process. There was a lengthy discussion regarding the actual role of a representative of the Schools' Forum in the process. The Chair of the Schools

Forum felt that it could be useful if the involvement of an objective observer would enable the Forum to have more objective information available to them. It was further suggested that perhaps this debate should broaden to include PHA and CASH because the review might result in future changes that would affect other sectors.

The Chair summed up by stating that there was a feeling that it would be helpful for someone outside the 'officer group' to be involved in the review but that it was not perhaps the responsibility of the Schools' Forum.

The proposal that a representative of the Schools' Forum should be involved in process was not therefore agreed but it was agreed that the deep concerns that had been expressed should be shared with CASH, PHA and appropriate LEA colleagues.

The Schools Forum then noted the minutes of the SEN, Social Deprivation, Access and Inclusion Working Group held on 8 December 2004.

5. **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 Forum were asked for their views on the work of the group and particular attention was drawn to federation, collaboration in small schools, schools operation criteria and minimum funding level for schools.

Federation – The LEA had been looking at federation for some time. It was recognised that this was not a cheap option but a number of pilots were currently being run and these would help to inform the budget process. Recently a number of meetings had been held in locations around the county to try to raise awareness of federation as an option, these had received a mixed response. Colleagues had also been invited to meet with individual governing bodies to discuss specifically whether or not federation might be an option for them.

In discussing issues relation to federation, a number of specific points were made that included :-

- i) a large number of small schools in Cumbria had head teachers who had a high teaching commitment. It was felt to be important to try to address the issue of non-contact time for head teachers and investigating ways to increase joint working might be one available option.
- ii) the rural Academy model was a collaboration rather than a federation but it was an example of good practice. There were many models of good practice in the county but unfortunately there was not an official federation. The South Lakes Secondary Federation, including the college and Sandgate School was another example and here there was a Joint Monitoring Governing Body. A further issue was the use of the different terms – federation, collaboration, joint working, etc. It was suggested that it might be appropriate for a small group of colleagues to look in depth at the examples of good practice that already existed with a view to moving these issues forward and agreeing a common use of terminology.
- iii) the Conservative group representative expressed his concern that so few members of the Schools' Forum were actually governors. The Chair informed the Forum that he had received a letter from the Chair of the Advisory Group of Governance regarding the same issue. In his reply, the Chair would explain that the constitution

of the Schools' Forum was set but that all vacancies were open to either head teachers or governors.

- iv) reducing pupil numbers and falling rolls was a major issue and was affecting schools in both rural and urban areas, and across all sectors. There was an acceptance that it would not be possible to maintain the status quo and that action would have to be agreed and taken. Decisions would be difficult and there would need to be a political will that was supported by schools and communities.
- v) the Diocesan Authority representative pointed out that there were a large number of small schools within the Diocese. He felt that it was important to combine work that was being undertaken by colleagues within the Diocese with those in the LEA. It was suggested that it would be appropriate for Canon Jenkins to join the School Size Working Group.

Collaboration – This was an issue separate from federation where two or more schools worked together to achieve educational and financial effectiveness. In the past there had been a small schools' collaborative fund but this had decreased significantly in recent years. Initially, schools had to bid for the funding and produce an action plan that was monitored. In later years the bidding process was removed and the funding was allocated to all schools with less than a given number of pupils. As a result the funding that schools were receiving was becoming less and less. There were concerns that the funding was not being used to develop collaborative working. The Working Group had recommended that the Schools' Forum should ensure that this fund was revitalised, that its application was agreed with the Forum and that a monitoring system was established.

School Operation Criteria – As part of their work, the working group had considered the possibility of minimum levels funding for schools. During this exercise the importance of the 'strategic school' had again become apparent. The group looked at possible criteria that might be used to decide on the future of small schools. These included educational issues, transport links and costs, including maximum travelling time, effects of the local community, geographical information, pupil numbers, financial stability and health and safety. The group had recommended that should any programme of small schools closure be implemented, all of these factors should be taken into consideration. The Forum again discussed political direction, strategic view and the impact of falling rolls in relation to these criteria. The Cabinet Member for Education reminded the Forum members of the existence of the School Organisation Plan (SOP) that was the subject of wide consultation. She went on to explain that discussions with the LEA had now identified a clear need for a long-term strategy. It was further suggested that the SOP was actually an audit of what was already in place and that the Schools Forum should ask the LEA to produce a strategic vision of the future taking account of the quality of education, not just in terms of funding but considering what could be delivered.

Conclusion – In conclusion, it was apparent that there would have to changes in the future. Reducing pupil numbers and falling rolls had an impact on school budgets and a clear strategy to deal with all the related issues was needed. There would need to be a clear political will to resolve difficult issues ahead, however, politicians would also need the support of schools and communities in reaching these decisions.

The Schools' Forum, therefore recommended that :-

- i) **the Schools Size Working Group undertake further work relating to the use of collaborative funding and bring a formal proposal to a future meeting of the Schools' Forum.**
- ii) **the LEA take account of the views expressed during this discussion in future work relating to school size and related issues.**

6. SCHOOL FEDERATIONS

A report that asked the Forum for views on the proposal to amend the existing scheme and formula to the effect that where two or more schools joined in a federation, the federation would received an additional budget allocation of £10,000 per annum for a period of three years was presented. The initial view of the Forum was that this issue would need to be properly debated.

It was therefore agreed that the item should be withdrawn from the agenda.

7. BUDGET ISSUES 2005-06

The Schools' Forum considered a report that provided an update of the latest budget projections following the government's provisional funding announcement at the beginning of December. It also sought the view of the Forum on a differential percentage increase across the sectors, the use of 'Headroom' funding and a possible change to the formula applicable to nursery classes within infant and primary schools.

Budget Update – At the meeting of the Schools' Forum held on 17 November 2004 it had been reported that, based on the provisional information available, the percentage increase to delegated budgets was expected to be 6-7%. The Government's announcement of the provisional funding settlement on 2 December has not been as generous as expected for Cumbria. The increase in the Schools Budget Formula Spending Share (FSS) was only 5.6% and not the 5.91% expected. This left a shortfall of £761,000. Similarly, the increase in the LEA block FSS was 4.6% (5.9% for youth community and 4.4% for LEA other). Despite this reduction in available funding for increasing delegated budgets, it was still expected that an increase of approximately 6% could be achieved. This assumed that there would be no increase in the £450,000 of Headroom funding used to support schools with financial difficulties. An increase above this sum would reduce the amount available to school budgets.

Minimum Funding Guarantee Differential – It was reported that the Secretary of State had issued regulations requiring LEAs to secure a minimum funding increase to all schools of 5% (primary and nursery) and 4% (secondary and special). The higher funding requirement for primary and nursery schools was in recognition of the greater impact that the introduction of Workforce Reform would have in this sector.

Subject to Council approval, current budget plans would result in an increase of approximately 6% in the delegated budget, which would meet the required minimum funding guarantee. The Forum were, however, asked if they wished to recognise the additional costs of Workforce Reform faced by the primary and nursery sector in excess of that faced by secondary/special schools and reflect this by maintaining some/or all of the 1% differential minimum funding guarantee in the AWPU increase to schools.

In discussing this issue the main concern was that overall implementation of Workforce Reform would not be sufficiently funded. Secondary representatives recognised that there

was likely to be a greater impact in the primary sector and it was felt that debating the merits of one sector over another eg. primary vs secondary was divisive. The special school representative queried why special schools were included with secondary rather than primary and was informed that this had been national recommendation.

It was suggested that a more representative percentage would be a differential of 1.25% rather than 1% but this was not supported.

The Schools' Forum then recommended that the funding differential increase set out in the minimum funding guarantee of 1% be maintained by increasing the AWPU values in the primary/nursery sector by a sum equivalent to this percentage greater than that applicable to the secondary/special sector (special schools would be dealt with proportionately).

Headroom - 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. Previous meetings of the Schools' Forum had discussed various criteria and options that could be used to target this funding. At the Forum meeting on 17 November 2004 it was agreed that the decision regarding the targeting of Headroom funding should be deferred to allow further information to be available. It was now possible to report details of the final settlement from Government. There was also up to date deficit information together with details about those schools that had received assistance in 2004-05 and the effect on their budgets.

A further report was presented to the Schools' Forum that summarised previous discussions and also set out different options for targeting the funding together with the different costs. All the suggestions were based entirely on financial terms and did not include any qualifying criteria.

As ever, this was a very sensitive issue and there was a continued perception of unfairness as the majority of schools worked very hard to manage their budgets. The extensive work that had been undertaken by the Finance Team to reduce the number of schools with deficits budgets was reiterated and the Forum were reminded that the ultimate sanction was the suspension of a schools delegated budget. There was a length debate regarding the appropriate level of the funding to be targeted during which it was proposed that any funding granted should be matched by the receiving school. Upon being put to the vote, **the Schools' Forum recommended that Headroom funding of £460,000 (6.5% cap) be allocated to those schools identified in the report and that each school be required to 'match' the funding received.**

Votes were cast as follows :-

10 for, 1 against, 1 abstention

Nursery Funding – At the meeting held on 17 November 2004 the Schools' Forum agreed to recommend the implementation of a funding formula for nursery schools in accordance with Regulations and Guidelines. The decision of whether to extend the new formula to include nursery classes within primary and infant schools had however been deferred pending the availability of further information relating to the overall budget situation. To extend the new formula would ensure equity of funding between all maintained nursery pupils but it would 'cost' approximately £700,000 which would need to be found from within the Schools' Budget. This meant an increase in nursery school AWPU of 20%. In reaching previous decisions the Schools' Forum had always attempted to achieve equity

and extending the new formula would do that. However, the current financial climate made this decision much more difficult. Primary representatives proposed a compromise that would increase the AWPU for nursery-aged children in maintained infant and primary schools by 5% (rather than the full 20%) in order to demonstrate commitment. Before taking the final decision, Forum members were warned that this change could cause some 'turbulence'. Upon being put to the vote, **the Schools' Forum recommended that the formula for funding pupils in mainstream school nursery classes should not be changed to give parity with the recently agreed formula for nursery schools but that the AWPU for nursery-aged children in maintained infant and primary schools should be increased by 5% with a view to further increases in future.**

Votes were cast as follows :-

10 for, 9 against, 0 abstentions

8. SOCIAL INCLUSION CONSULTATION - OUTCOMES

An initial draft report that set out the outcomes of the consultation exercise that had been undertaken to review the support for behaviour was circulated to members of the Schools' Forum.

9. THRESHOLD/PERFORMANCE RELATED PAY

A report setting out three options that could be used as a basis for allocating Threshold and Performance Related Pay grant to individual schools in 2005/06 was presented.

The Government had originally intended that funding for Threshold and Performance Related Pay enhancements would be transferred into the education Formula Spending for 2005/06 onwards. However, following representations from head teacher associations it had been determined that this would not take place in 2005/06 but that the funding would instead be paid as a non ring-fenced specific formula grant to local authorities. Authorities were required to inform their School Forum of the amount allocated. Cumbria had been notified that its allocation was £10,059,706. The notified sum was the final allocation for the year, ie no additional grant would be received if the number of teachers qualifying for progression exceeded the numbers upon which the grant had been estimated. As a result, the authority had three options for distributing the grant to schools and contain the allocations within the totals available :-

- vi) to distribute the grant based on actual teacher salary enhancements as at 31 March 2005 together with a sum based on teachers (as at 31 March 2005) becoming eligible for progression in September 2005. The aggregate sum calculated for all schools to be scaled up/down in accordance with the total available.
- vii) distribute the major share of the grant in April based on actual teacher salary enhancements as at March 2005 with the balance retained until the end of the financial year and this then distributed based on actual progressions in September 2005. The retained amount for distribution would be allocated pro rata to the number of teachers progressing on the pay scale.

viii) retain all the grant until the end of the financial year and allocate it based on actual spend. The actual amount allocated to each school to be again scaled up/down in order to meet the total sum available.

Option (i) would ensure that all the grant was allocated at the beginning of the year, reduce administration costs and provide all schools with a definitive budget allocation within which they could make their plans. There would be no retrospective increases or clawbacks.

In discussing the options it was recognised that the DfES formula was complicated but that most authorities had applied the formula. It was suggested that option (ii) would ensure that actual progressions were funded.

The Schools Forum recommended that major share of the grant should be distributed in April based on actual teacher salary enhancements as at March 2005 with the balance being retained until the end of the financial year. This would then be distributed based on actual progressions in September 2005. The retained amount for distribution would be allocated pro rata to the number of teachers progressing on the pay scale.

10. SCHOOLS' FORUMS – EXTENSION OF POWERS

The Forum considered a report that summarised a proposal from the DfES to extend the powers of Schools' Forums.

At present, each Schools' Forum had an advisory role regarding any specific issues relating to school funding. The DfES proposals would give Forums decision making powers that would enable it to agree or refuse requests from the LEA to :

- increase the level of central expenditure in the Schools Budget above that provided for by local regulations; and
- vary the operation of the Minimum Funding Guarantee for specific schools to avoid them receiving unfair budget outcomes

The Forum were asked to give any views on the proposals for feeding back to the DfES. There was some discussion relating to whether the extended powers would require the Forum to meet more frequently before the Forum indicated that they felt comfortable with the proposals.

It was therefore recommended that a positive response to the proposals to extend the powers of Schools' Forums should be submitted to the DfES.

11. UNION LEARNING REPRESENTATIVES (ULRs)

The Trade Union and Labour Relations Consolidation Act 2002 provided a right for Union Learning Representatives to have reasonable time off work (paid) to undertake their duties as ULRs and for training.

A report that asked the Forum to recommend that the sum of £17,500 be added to the centrally retained facilities funding for union duties and allocated to schools based on the absence of employees engaged on ULR training and duties was presented.

In Cumbria, three local teacher associations, ATL, NUT and NASUWT had submitted an application to secure funding to support ULRs. The estimated cost would be £17,500 based on the equivalent of three days additional supply cover per week. This cost would be in addition to the current provision in the Schools Budget of £103,000 (centrally retained) and would be a charge against the Schools Budget so would reduce the amount available for delegation.

The Schools' Forum recommended that the sum of £17,500 be added to the centrally retained facilities funding for union duties and allocated to schools based on the absence of employees engaged on ULR training and duties.

12. ANY OTHER BUSINESS

- i) Date of Next Meeting – it was agreed that it would not be necessary to hold a meeting of the Schools' Forum on 7 February 2005. The next meeting of the Forum would therefore be held on 20 April 2005.
- ii) Membership – a number of nominations had been received for the two vacancies of the schools forum (small schools and community and voluntary controlled representatives). Ballot papers would now need to be issued. As the full Schools' Forum was soon to be re-elected (January 2006) it was suggested that a future newsletter should include an article to raise awareness of the Forum and the sub-groups.

PR/NJS
4 April 2005