

THE CUMBRIAN SCHOOLS FORUM

MINUTES OF THE MEETING HELD ON 20 September 2007

PRESENT

Mrs J Baskerville (Carlisle Primary representing Mrs I Roberts-Green)
Mrs N Bates (Community and Voluntary Controlled Primary)
Mr C Brooksbank (South Lakeland Primary)
Mr C Bush (Carlisle Secondary)
Mr M Chapman (representing Voluntary Aided Secondary)
Mr C Clarke (South Lakeland Secondary)
Mr G Cook (CCC, Liberal Democrat Group – Observer)
Ms J Farebrother (Nursery Schools)
Ms K Forsyth (Business Manager – Wyndham School – Observer)
Mr B Gummatt (Special Schools)
Mr C Kirkup (Eden Secondary)
Miss J Marshall (Barrow Primary)
Mrs L Moffatt (Barrow Secondary)
Mr D Natrass (Voluntary Aided Primary)
Mr G Postlethwaite (Copeland Primary representing Mrs T Eyre)
Mrs J Richardson (Allerdale Secondary)
Mr C Robertshaw (Foundation Secondary representing Mr B Abram)
Mr R Rogers (Eden Primary)
Mr A Rutter (Teachers' Professional Associations)
Mr G Seward (Foundation Primary)
Mr E Tumelty (RC Diocese)

Officers in attendance:

Mr J Swainston	(Head of Service – Schools and Learning, Children's Services)
Mr A Hodge	(Children's Services Finance)
Ms A Burdess	(Children's Services Finance)
Mrs N Shiels	(Children's Services)

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from: -

Mr B Abram
Mr R Coy
Mrs T Eyre
Mr B Thomas

2. SCHOOL FUNDING FORMULA REVIEW

Karen Forsyth, Business Manager Wyndham School, was welcomed to the meeting. Karen was one on a number of school finance officers that had been involved in the work to review the funding formula.

The purpose of this meeting of the Forum was to update members with the progress that had been made on the review of the school funding formula. It was hoped that the Forum would be able to recommend a way forward and a new formula that could be implemented from April 2008.

At the meeting of the Forum on 2 July 2007 it had been agreed that work should continue to:

- develop the ABC model;
- look at models that would, at least initially, ensure no movement of funding between sectors;
- look at transitional funding and the impact of the minimum funding guarantee;
- consider the changes in national funding that were being proposed by central government.

The work had been carried out over the summer and had been concentrated on the development of the ABC model.

The ABC model built up a new AWPU that was based on a number of expected costs of a group of children. This new AWPU was not intended to replicate what schools currently received.

An explanation of the costs that had been used to build up the model was provided.

The expected costs of a group of children had been tested against current practice in schools and although it was recognised that schools operated in different ways it was felt that all the elements could be justified. School finance officers had also looked at other elements of the model and had tested them in their schools.

The AWPU was based on staffing and non-staffing costs. A new management lump sum had also been added which was based on 50% of the cost of a headteacher, with varying amounts depending on the size of the school.

Other factors in the formula – SEN, personalised learning, social deprivation, school meals and post 16 would remain as at present, for the moment. It was noted that the SEN Working Group were continuing to look at the revision of social deprivation, personalised learning and non-statutory SEN funding. The new formula had not yet been applied to the five special schools.

The 'pure' ABC model did not contain factors for NQT, class size allocation for primary schools, small school allocation and a general lump sum, all of which were in the current formula. It was also noted that threshold was not included and had been kept separate.

The 'pure' ABC model had been scaled down to allow it to work within the current budget. In its purest form, without scaling, the cost would be 20% more than currently.

An important feature of this model was that although it was based on the costs of educating groups of children, it did not take into account the size of a school. The figures showed a reduction in the level of funding to small schools. The reduction had been expected and meant that the pure ABC model produced a level of funding that would deem smaller schools to be unviable, a new and important principle.

If a school was open, the LA had to fund the school adequately. In the past the small schools allocation had been an integral part of the formula. The new model separated this out. An additional amount (a 'strategic existence factor') would be allocated where schools were open but where the level of funding, without the additional amount, would mean that the school would be unable to function with a balanced budget.

The formula was not yet complete and there were elements that still needed to be considered eg. at what level should the 'strategic existence factor' be set? Consideration of criteria to determine the level of SEF was outside the remit of the Schools Forum, and the school organisation process was ongoing.

This was a complex area that went beyond funding. It may be that the LA would wish to take a view about those schools across the County that were considered to be 'strategic'. There were also schools that needed to/could be rationalised. Whatever conclusions were reached, there had to be a commitment to fund properly all schools that were open, wherever they were located.

The School Budgets Working Group had also tried to take account of what was happening nationally but there were a number of unknown factors, which were likely to have an impact on the work that had been done. Other areas of work covered had included:

- possible transitional funding arrangements that could be developed and applied along side/as well as Minimum Funding Guarantee (MFG)
- not moving funding between sectors but at having a better method of allocation within the individual sectors.

Transitional Funding – as well as the MFG it was suggested that a method of transitional funding should be agreed and implemented. As a result, three floors

had been introduced to act as a transitional measure, to reduce the amount of loss that was incurred – options of floor at 0.5%, 1% and 2%.

At the meeting of the School Budgets Group held on 12 September, officers had also been asked to investigate the inclusion of a ceiling to limit the gains.

Sectorisation – a number of national changes relating to post 16 funding were about to be implemented, the details of which were not yet available and therefore the impact that they would have was unknown. Discussions with secondary schools and some primaries had suggested that sectorisation would be beneficial for an initial period.

If there was not sectorisation, some funding would move from nursery and secondary schools to primary schools. Compared with national averages the levels of change were similar.

National Changes

Under 5s – it was expected that there would be a move, nationally, towards more pupil led funding. It was not anticipated that this would have as much an impact in Cumbria as it would elsewhere.

Post 16 – there would be a new national post 16 funding formula based on pupil numbers, achievement, courses taken and possibly an additional learning supplement. There would be more agreement between LAs and individual schools regarding the number of courses taken. More information relating to the changes would not be available until October 2007. It was likely that these changes could impact on all schools but the biggest impact would be on secondary schools.

There would also be changes at KS4 and again, the impact of the changes was not yet known.

All the changes described meant that there would be a lot of uncertainty. However, it was possible to implement the work that had been done so far and continue with the process of review.

Schools would be consulted on any proposals that were agreed. It was suggested that the consultation process would include a series of meetings, to be held around the County. This would allow headteachers, as well as governors the opportunity to attend a meeting to find out more about the process and how the proposals had been reached. County Councillors would also be invited to attend the meetings. An explanation of the proposed model would also be circulated widely as part of the consultation process.

The Schools Forum recommended that:-

- i) **subject to consultation with schools, a new funding formula is implemented from April 2008 for the 3 year budget period to the end of March 2011.**
- ii) **a sectorised model should be consulted on for the 3 year period to the end of March 2011 (nursery, primary, secondary, special).**
- iii) **further work should continue on those elements that had been identified as needing further consideration.**

- iv) **'cushioning' funding should be applied through the 3 year period - the level of this funding to be determined following consultation with schools.**
- v) **all schools should be consulted about the proposed changes, the consultation process to include a series of meetings around the county.**
- vi) **the formula should be reviewed every 3 years, in perpetuity.**

The Chair of the Forum took the opportunity to thank all those that had contributed to the review of the formula, to date – LA officers, members of the School Budgets Working Group and school finance officers.

3. NEXT MEETING OF FORUM

The next meeting if the Schools Forum would be held on Tuesday, 2 October 2007 at the University of Cumbria – Penrith Campus (Newton Rigg) Penrith. The meeting would begin at 9.30am.

It was reported that the Chair of the Forum had agreed that the agenda and papers for the 2 October meeting could, on this occasion, be circulated one week before the meeting rather than the usual two weeks in advance. A draft agenda was circulated. The papers that would be presented to the Forum on 2 October 2007 would, largely, be update papers.

The meeting would look at the implications of the national proposals that had been mentioned, there would be an item on governance and constitutional issues related to the Forum and some further information about additional funding requests.

The main item on the agenda would be an update on school, early years, 14-19 funding and there would be a presentation on this.

There would also be an item on the 2008-09 budget and the possible implications for the schools budget. Details relating to the spending settlement were awaited and there were a number of factors that could affect schools. It was suggested that a small sub-group should be established that could work on the implications for the schools budget as they arose, this would include any implications that resulted from CCC budgetary decisions. The group would be established as soon as was practicable and volunteers for the group were sought.

It was agreed that the membership of this group should be finalised at the meeting on 2 October 2007.

It was noted that there would be no further discussion relating to the review of the formula on 2 October 2007.

4. ANY OTHER BUSINESS

There were no other items of business.

PR/NJS
September 2007